



AfricashewSplits

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**African Cashew Alliance:
information@africancashewalliance.com**

The Cashew Market in West Africa

Nigeria

In Nigeria, RCN arrivals are increasing at the producer level. Currently, the weather conditions remain favorable for cashew trees although rains have started. The rains may affect the quality of the nuts as the rainy season progresses. However, RCN quality in Kogi State declined to 45-49 lbs and RCN prices this season are good for farmers as last year average farm gate price at the same period of the year was between 300 and 330 NGN/kg.

In Kogi State RCN farm gate price is currently between 410 and 430 NGN/kg (1.3-1.36 USD/kg) against 415-450 NGN/kg recorded last week. The RCN warehouse price is around 550 NGN/kg (1.74 USD/kg) while delivery to Lagos Port are being made between 550 and 575 NGN/kg (1.74-1.82 USD/kg) for an average RCN Outturn of 47-49lbs.

*Source: Market Analyst Azeez Ayodele and Mr. Alfred Makhuoqa
Friday*

Benin

After a slight slowdown noticed last week, demand for RCN is gradually increasing. RCN availability at the producer level is still good. The crop is almost completed in central Benin (Zou-Collines) while in the north RCN availability is still good.

The downward price trend observed in the past week continued this week with RCN farm gate prices ranged between 660 FCFA/Kg (1.07

USD/kg) in Atacora-Donga (RCN outturn 46-48 lbs) and 715 FCFA/Kg (1.16 USD/kg) in Zou and Collines (average Outturn of 47-49lbs). The price change compared to the previous week is of an average decrease of 40 FCFA/Kg. RCN warehouse prices vary between 600 and 850 FCFA/kg (0.97-1.38 USD/kg) while the FOB price at Cotonou port is between 1,500 and 1,700 USD/MT for an average RCN outturn of 48-50lbs.

Source: FENAPAB

Burkina Faso

In Burkina Faso, the cashew season is marked by a strong demand from both local and foreign buyers in the various production areas. RCN arrivals at the producers level are decreasing and the quality of the available RCN dropped to 46-49lbs.

Source: Mr. NOMBRE ELOI,(UNPA/BF)

This week, the RCN farm gate price in Batié, Banfora and Orodara is between 600 and 875 FCFA/kg (0.97-1.42 USD/kg) with an average Outturn of 47-49lbs.

Côte d'Ivoire

In Cote d'Ivoire, RCN arrivals are decreasing at the producer level and producers are waiting for the second crop. The rains are intensifying accompanied by a hot weather and winds noticed at the Northern part of the country. The RCN quality remains good with an average outturn of 46-49lbs. The Conseil du Cotton et Anacarde (CCA) intends to allow the export of cashew nuts by land to support local processing in neighbouring countries in need. The market is still active with more buyers on ground compared to last week. Exporters also have started pre-financing their agents who are facing difficulties to fulfil their commitments due to low availability

Source: Mr. kamate Issoufou from K.R Organisation

Ghana

The cashew market in Ghana has slowed down and RCN quantities are limited at this period of the campaign. The rains are setting in accompanied by hot weather in the Brong Ahafo Region of Ghana. There are few buyers currently at the farm level. The second crop is just starting while the quality of the available RCN has decreased to 46-49lbs. Some traders are withholding their products and waiting for better prices. Most companies have stopped buying as well as middlemen.

Guinea Conakry

The official opening of the 2017 campaign has been planned for April 5th in Boké prefecture and will be launched by the Ministry of Commerce through the Guinean Export Promotion Agency (AGUIPEX) and representatives of the private sector. The harvest has begun in the Upper Guinea Basin, and the first cashew shipments have arrived in Conakry for storage and processing shops from which they will be exported.

In the Lower Guinea Basin the plantations are almost mature but the harvest has not begun.

Senegal

In Senegal, the cashew season is very active with an increasing demand. RCN arrivals are increasing in Casamance (Ziguinchor, Sédhiou and Kolda

at this period of the campaign.

The RCN farm gate prices still ranges between 600 and 800 FCFA/kg (0.97-1.3 USD/kg) while the price at the trader level is between 625 and 825 FCFA/kg (1.01-1.34 USD/kg) depending on the areas. Deliveries to the port are being made between 775 and 850 FCFA/kg (1,264-1,386 USD/MT). FOB prices vary between 875 and 925 FCFA/kg (1,427-1,508 USD/MT) and CIF prices between 975 and 1000 FCFA/kg (1,590-1,631 USD/MT).

RCN farm gate price decreased from 6.5GHS/kg last week to 5.5-6.0 GHS/kg (1.3-1.42 USD/kg) this week while the warehouse price also decreased from 7.4 recorded last week to 6.5-6.8 GHS/kg (1.54-1.61 USD/kg) this week. Traders have raised concerns about exporters slowing down on buying while producers are not happy with the current prices and hope to see an increase in prices.

Source: Cyril Alormene from MoFA

This week RCN farm gate price in the regions of Kankan and Boké is between 8000 and 10000 GNF/Kg (0.86-1.08 USD/Kg).

Finally, as part of the establishment of the Umbrella Association of Cashew sector stakeholders, several meetings with stakeholders took place in Conakry as well as in the sub regions. These meeting, led to the creation of Associations of Cashew Producers and Exporters.

Source: Madame Clarisse BANGOURA from AGUIPEX

region) where the average RCN Outturn is currently of 48-50lbs.

In Sokone, the available RCN at the producers level and weekly markets has decreased considerably. The quantities exchanged are becoming weaker. Traders are now have difficulties collecting large shipments of nuts.

Prices continue to stabilize at Sokone (RCN Outturn 50-52lbs) between 400 and 900 FCFA/kg (0.65-1.3 USD/kg) while in Casamance the first purchases started with lower prices between 350 and 800 FCFA/kg (0.57-1.14 USD/kg).

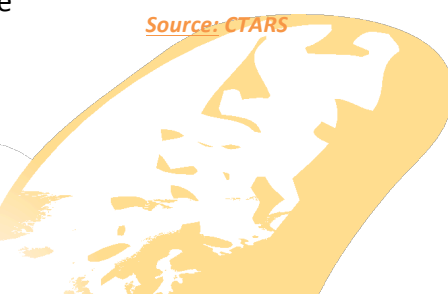
Source: FNDASP

Mali

In Mali, the market remained weak this week with a slowdown in purchases observed in production areas. The weather is very hot and sunny at the this moment and many of the cashew trees are losing their flowers. Farm gate prices are currently between 500 and 700 FCFA/kg (0.81-1.14 USD/kg) for an average

RCN Outturn of 46-48lbs while wholesale prices from the traders in Sikasso are between 700 and 775 FCFA/kg (1.14-1.26 USD/MT) for an average RCN Outturn of 46-49lbs. In general, there is a slight decrease in RCN prices and a slowdown in purchases compared to last week.

Source: CTARS



The International Cashew Market

The sentiment in the cashew market has changed over the past week. This is based on improving arrivals on the one hand and a lack of buyers on the other causing prices to fall in most origins. Recent forecasts of a very good crop in India and in Cote D'Ivoire have caused buyers to back away from the market especially on cashew kernels. Prices of kernels have not yet reacted and many processors continue to keep their offered prices high reasoning that there are no buyers anyway so why show their hand. Raw cashew prices have fallen back as processors are reluctant to buy and traders are not receiving cash advances from exporters for the next round of buying.

During this period, it has become clear, as you read here some weeks ago, that the Vietnamese crop is smaller than expected this year. In the big picture this does not have a major impact. Vietnam produces less than 10% of the Worlds cashews. They import over a million tons, mainly from Africa, for processing and export. It would normally have an impact on Vietnamese processors and traders but with large volumes of African RCN already shipped and few sales of kernels to match them processors are more concerned with sales.

It looks now as if the 2016/17 cashew crop will be overall very good. There is still some way to go so caution is required but this should ease prices on kernels and internationally traded RCN. If farmers and traders who have been holding back stocks now decide to push for sales the trickle down of prices could turn into a waterfall ultimately affecting kernels prices. In these circumstances the history of the cashew market tells us that all the bulls (people who see prices rising) will turn to bears (people who see prices falling) and then April could be a difficult month

Source: Mr. JIM FITZPATRICK, INGREDIENT SOURCING SOULUTIONS

Quotations in India/Vietnam

<i>Cashew kernels FOB</i>			
Description	Grade	Price USD/lb	Recent changes
Whole White 240 kernels/lb	WW240	5.25 - 5.45	Stable
Whole White 320 kernels/lb	WW320	4-4.5	Slight decrease
Splits	FS/WS	3.1 - 3.2	Stable
Broken	LWP/LP	3.05-4.2	Stable
<i>Raw Cashew Nut FOB Africa and CFR India/Vietnam</i>			
Origin	Outturn	Price USD/MT	Recent changes
West Africa CFR price (April Shipment)	48-50	1,500-1,850	Firm
Cote d'Ivoire CIF	48-50	1,590-1,630	Slight increase
Benin FOB	48-50	1,500 -1,700	Slight increase

Currency

Exchange Rate : 1 USD= ?			This Week	Last Week	Exchange Rate : 1 USD= ?			This Week	Last Week
West Africa	Franc CFA	XOF	613	612	East Africa	Tanzanian Shilling	TZS	2226	2226
	Nigerian Naira	NGN	315	314		Kenyan Shilling	KES	103	102.8
	Ghanaian Cedi	GHS	4.2	4.3		Mozambican Metical	MZN	70	70
	Gambian Dalasi	GMD	44	43.7	Asia	Indian Rupee	INR	65	65
	Franc Guinéén	GNF	9250	9223		Vietnam Dong	VND	22679	22769



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