



# AfriCashewSplits

The source of the latest crop and price information

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## The International Cashew Market

The 2019 cashew crop is in progress with good outturns expected from all origins. The leading producer in 2018, India expects 800,000 tonnes. Cote D'Ivoire could return to the number one position in 2019 with an official estimate of 800,000t and some commercial estimates as high as 850,000t. Other producing countries like Nigeria and Benin could yield record crops based on initial estimates.

Following some early trade above US\$1600 for early shipments from Ghana prices have now settled with offers ranging US\$1300 – 1500 per tonne Cfr India/Vietnam depending on origin and quality. Traders and processors are widely reporting their expectations that prices will fall but caution is advised as the slow flow of finance to the system could delay export trade on RCN. Cashew kernels prices have not changed this week as Vietnamese processors have been on holiday but more offers were seen toward the end of the week with mid-size processors at \$3.40 per lb FOB.

In the coming week there should be more trade and more clarity. The market is finding it difficult to establish early direction on RCN based on late policy announcements in many countries. This should change by the end of the month and more offers are expected. In summary it looks like a good season for farmers with better yields and good quality which are more important than prices. Exporters, traders and processors will likely continue their cautious approach.

## The Cashew Market in Africa

**RCN Farm gate price in AFRICA**

COUNTRY	Currency	17-Feb-18			Avg. price in USD
		Per Kg		Outturn in lbs	
		min	max		
NIGERIA	NGN	230	240	49	0.66
BENIN	CFA	300	400	NA	0.60
GHANA	GHS	4.00	4.50	49	0.81
IVORY COAST	CFA	250	400	48	0.55
KENYA	KES	50	60	48-52	0.55

**RCN warehouse price in Africa**

COUNTRY	Currency	17-Feb-18		Avg. price in USD
		Per kg		
		min	max	
NIGERIA	NGN	260	280	0.76
GHANA	GHS	5.00	5.50	1.00
IVORY COAST	CFA	410	435	0.72
KENYA	KES	100	150	1.25

**W320 export FOB price in Africa + Vietnam**

COUNTRY	17-Feb-18	
	USD/kg	
	min	max
GHANA	3.70	3.85
IVORY COAST	3.55	3.70
KENYA	3.55	3.65
VIETNAM	3.35	3.55

## Country Reports

### Nigeria

The season is at its beginning. In anticipation of the Saturday presidential elections the Nigerian market has been quiet. Thus, previously reported prices for calendar week 6 remain the same in week 7: RCN farm gate price: 230 – 240 NGN/kg (on average: 0.66 USD/kg) at an outturn of 49lbs. This week, it is reported that the RCN warehouse price lies between 260 – 280 NGN/kg (on average: 0.76 USD/kg). It is not clear what the price differential for old crop and new crop.

### Benin

The estimated RCN production in Benin remains about 140,000 MT for 2019. Observations from the field show that commercial activity has spread out across the country, indicating harvest and sales are happening before the March 1 official launch of the season. The RCN farm gate prices vary depending on location. Prices from Northern parts of the country are reported to be lower than in the Central and Southern regions. Currently, prices remain roughly between 300-400 CFA/kg (on average: 0.60 USD/kg) in week 7. However, an observation is made that prices in the South and Central regions have decreased, while those in the North have increased. Therefore, we see a slight narrowing of the farm gate price range taking place.

Since last week's baseline farm gate price announcement in Ivory Coast (375 CFA/kg), reports from Benin indicate some second thoughts on last week's IFA (Interprofession de la Filière Anacarde (cashew industry association)) proposed baseline price of 400 CFA/kg in Benin. Adding the export levy, there are some concerns that a baseline price more than 400 CFA/kg would be uncompetitive. However, elections are on the horizon and it will be a difficult call to make as the government seeks to set a baseline farm gate price to win the favor of producers, while the other actors in the sector seek a competitive price. March 1 remains a highly anticipated date in Benin.

FOB export price offered for W320 kernels is reported at 3.70 USD/lb this week without buying interest at this level.

### Ghana

Traders in Ghana's cashew region report again an average outturn of 49lbs, while this week's RCN farm gate price range of 4.0 – 4.5 GHC (on average: 0.81 USD/kg) has slightly decreased by 0.5 GHC compared to last week (4.5-5.0). The RCN warehouse price for this week remains the same as last week (5.0 – 5.5 GHC per kg; on average: 1.00 USD/kg). The FOB price 52lbs RCN is again reported at 1400 USD.

The W320 FOB export price range offered this week also remains stagnant at 3.70 – 3.85 USD/lb without buying interest at this level. There is some concern that early rains may reduce nut quality. This would need to be carefully managed in a year when buyers are expected to be cautious after last years trading losses.

### Ivory Coast

Expectations of a good crop continue with some unofficial estimates at 800,000 t up on last year's official 760,000 t.

Average outturn based on few samples at the farms remains at an average 48 lbs this week. There is a risk that a slow start to the season in commercial could jeopardize quality as the harvest starts. Concern on the fate of old crop stocks remains despite strong efforts to avoid problems from CCA (Conseil du Coton et de l'Anacarde). The quality position will become clearer as material starts to arrive at the ports.

Farm gate prices are reported in a range of 250-400 CFA/kg (on average: 0.55 USD/kg) which we presume means that some lower quality material is trading below the official minimum. This week, the RCN warehouse price has been quoted at 410 – 435 CFA/kg (on average: 0.72 USD/kg).

Ivorian processors have marked their kernels prices up this week despite a lower international market.

## Kenya

Data reported from Kenya largely stays the same for this week: production estimated at 7,000 MT, RCN outturn 48-52lbs, RCN farm gate prices between 50 – 60 KSH per kg (on average: 0.55 USD/kg), RCN warehouse price between 100 – 150 KSH per kg (on average: 1.25 USD/kg).

For this week, processors in Kenya report a W320 Export FOB price offered between 3.55 – 3.65 USD/lb.



Thank you to all our network of reporters and analysts for their contribution to this report.  
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