

CASHEW MARKET BULLETIN



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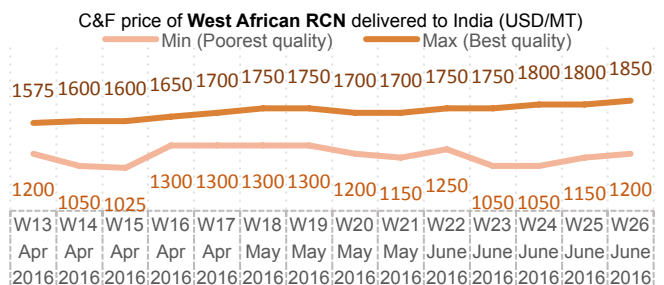
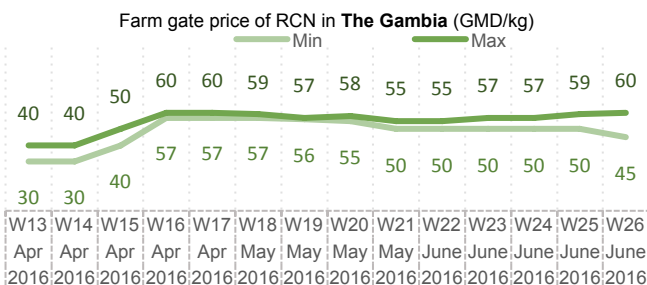
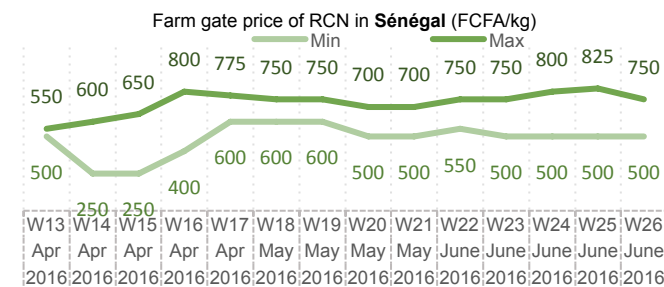
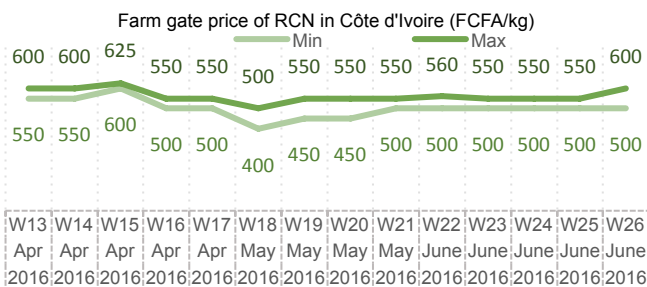
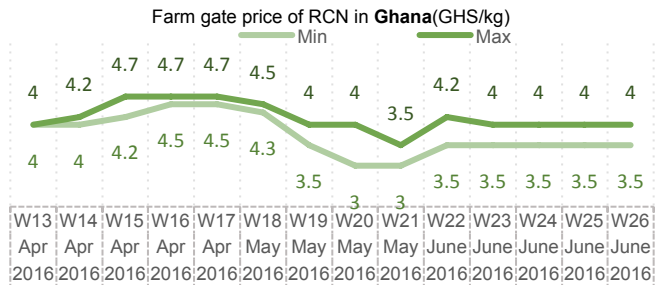
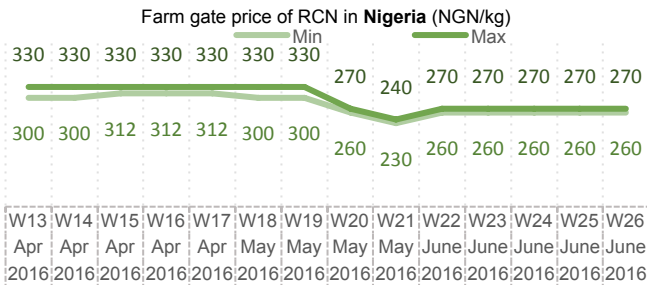
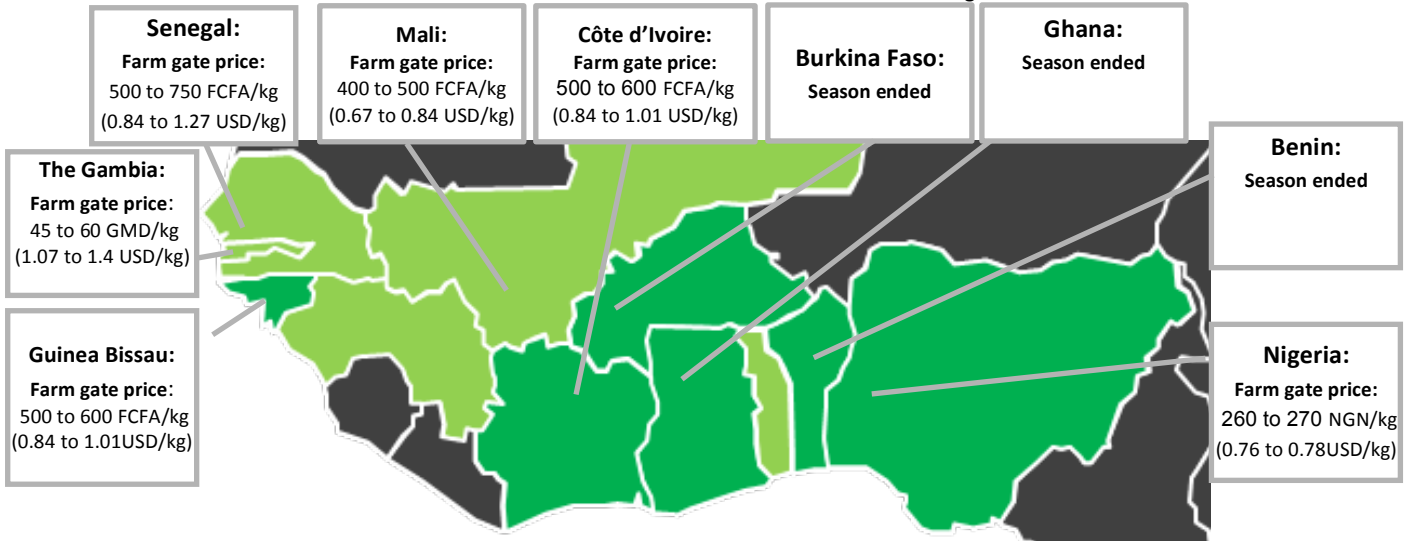
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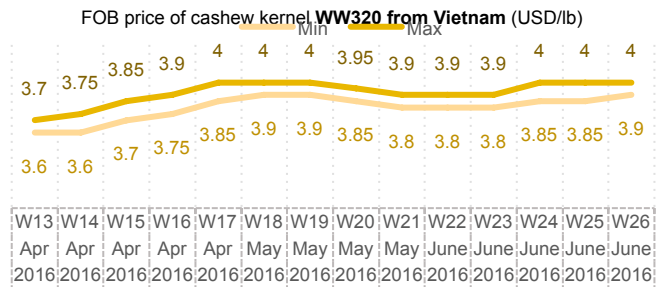
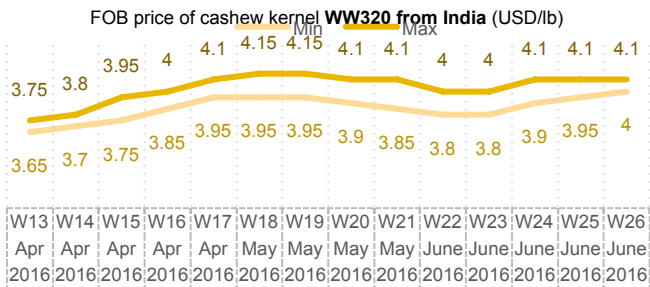
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The Cashew Market Flash

Current RCN Price from West African Cashew Producing Countries





The Cashew Market in West Africa

Nigeria

This week in Nigeria, the Naira exchange rate in the informal market is 1 USD to 342 NGN against 1 USD to 282 NGN in the official market. The fluctuation of the Naira exchange rate could impact the cashew market. This situation is favorable to foreign buyers, but could also lead to price fluctuation on local market.

In Nigeria, no major changes have occurred in the cashew market this week. The Ramadan period has slowed down the cashew business for now. The rainy season is well settled and the RCN quality is still 35-40lbs.

In Kogi State, the RCN farm gate price is still 260 NGN/kg (0.76 USD/kg), while the warehouse price varies between 265 and 270 NGN/kg (0.77-0.78 USD/kg). Deliveries to Lagos are being made this week between 285 and 300 NGN/kg (0.83-0.87 USD/kg).

In Kwara and Oyo State, RCN the farm gate price is still at 270 NGN/kg (0.78 USD/kg), while the warehouse price is 275 NGN/kg (0.8 USD/kg) depending on the trader. Deliveries to Lagos are around 290 NGN/kg (0.84 USD/kg).

Source: Market Analyst Azeez Ayodele and Mr. Alfred Makhuoga Friday

Burkina Faso

In Burkina Faso the cashew season is over and the actors are currently focused on the supply of local processors. As a reminder, the local processors facing high prices had been able to negotiate a tripartite protocol (processors, traders and producers) in early May 2016 for the delivery of 10,000 MT of RCN.

Last week, cashew sector stakeholders met in Bobo-Dioulasso to review the implementation of the Protocol. It appears that after thirty days of validity of signed commitments, the processing units taken together have received in total 625 MT of RCN representing 5.1% of the needs expressed.

Nevertheless, the 2016 cashew campaign remained unfavorable to Burkinabe processors. Actions to protect the cashew industry need to be taken.

Source: Sansan BLEU and Manéré OUEDRAOGO Market Analyst, N'Kalô Service

Cote d'Ivoire

In Côte d'Ivoire, the cashew market has slowed down. The quality of the available RCN is very poor and the majority of foreign buyers have moved to Guinea Bissau and the Senegambia.

Few local buyers who still hold funds are active in the market. Some foreign buyers from Ghana and Burkina are currently in the market trying to fulfill their last commitments.

Some farmers and local buyers, who still hold RCN quantities, continue to speculate and hope that prices will increase by the end of the season.

The farm gate prices remained between 500 and 550 FCFA/kg (0,85 to 0,9 USD/kg) with the majority of sales at 550 FCFA/kg. However, in the Zanzan, some buyers are offering 600 FCFA/kg (1.05 USD/kg) for large quantities. RCN wholesale prices, ranged between 550 and 605 FCFA/kg (0.93-1.02 USD/kg) against the 550-575 FCFA recorded last week. The wholesale price at the

Port is currently between 590 and 615 FCFA/kg (1,001-1,044 USD/MT) against 585 and 605 FCFA/kg noticed last week.

Source: N'Kalô Market Analyst; Sékongo Soungari

Mali

In Mali, the cashew season is coming to an end. The market is calm and RCN prices remained stable compared to the previous week. Farm gate prices are still between 400 and 500 FCFA/kg (0.67-0.84 USD/kg) with the majority of purchases between 400 and 450 FCFA/kg. The wholesale prices also remained between 500 and 600 FCFA/kg (0.85 and 1.05 USD/Kg) depending on the quality and the quantity available.

Cashew stocks are still available in production areas, though buyers are currently purchasing only small quantities. These purchases are mostly made by Burkinabe buyers who struggle to complete their orders. Furthermore, some arrivals from the producing areas were noticed during the week and especially in Kolondiéba, Yanfolila.

Source: N'Kalô Market Analyst; Ousmane N'DIAYE

Senegal

In Senegal, the cashew season is coming to an end and the rainy season is well settled. In the production areas, transactions have become rare. RCN arrivals are almost exhausted. With the decline in RCN quality, many traders have withdrawn from the market.

In Sokone, small RCN arrivals are still happening in the villages and weekly markets. With the decline in quality and low demand, the RCN farm gate prices decreased by 25 to 50 FCFA/kg compared to last week. This week, the farm gate price is approximately 750 FCFA/kg (1.3 USD/kg). The wholesale prices range between 775 and 800 FCFA/kg (1.33 to 1.35 USD/kg).

In the region of Casamance (Ziguinchor, Sédhiou, Kolda), the rains are intensifying and the RCN quality is dropping sharply. Producers are currently fully engaged in other staple crops. In Ziguinchor and Sédhiou there is a decrease in both supply and demand. However, a few purchases have occurred between 500 and 650 FCFA/kg (0.85 and 1.1 USD/kg).

Source: N'Kalô Market Analyst; Cheikh Ousmane Loum

The Gambia

The Cashew season is now coming to an early end in the Gambia this year. The rains are intensifying and farmers are busy tilling their fields. Certain buyers in the West Coast Region, however, are pressing to complete their contracts, resulting in slight price increases for the very few traded quality stocks.

In the North Bank Region trading is virtually limited to a few stocks fetching between GMD45/kg and GMD55/kg (1 and 1.25 USD/kg). Presently, middlemen and traders are busy finalizing transfers of purchased cashew nut stocks to Banjul for export.

In the West Coast Region, the third harvest is practically over and traders are vying for the very limited stocks available in order to complete their contracts. Prices are still between GMD58/kg and GMD60/kg (1.35 to 1.4 USD/kg). In the Fonis, the season has virtually ended and only a few middlemen are present in the villages.

In the Lower River Region, the cashew season is almost over with very limited offers in the Kiyang West area traded between GMD50/kg and GMD55/kg.

Source: Cashew Alliance of Gambia, Alpha Jallow and N'Kalô Service, Gabriel GOMEZ

Guinea Bissau

In Guinea-Bissau, the cashew market remain calm this week. The RCN arrivals from the producing areas are decreasing. RCN quality is still good with 52-55lbs and the moisture content still at 8.9%.

The RCN farm gate prices remained steady while the wholesale prices increased slightly. The farm gate prices is still between 500 and 600 FCFA/kg (0.85 and 1.05 USD/kg) while the RCN wholesale price is around 735 FCFA/kg (1.25 USD/kg).

Source: ANCA-GB, Mr. Cardoso Tamblé

The International Cashew Market

In the international market, cashew prices remain stable while some buyers from the Western countries are making their last orders before their annual summer holidays.

The cashew season is coming to an end in West Africa. Activities at the farm gate slowed down in almost all areas of production while the majority of transactions are currently between traders and exporters.

RCN arrivals are still increasing at the ports of India and Vietnam and many shipments are currently leaving West African ports to Asia. New orders are being made by Asian importers but the West African exporters are becoming more reluctant to sign new contracts due to the scarcity of the RCN at the moment.

International quotations in India/Vietnam

Cashew Kernel FOB Asia			
Description	Grade	Prix USD/lb	Recent Changes
Whole white 240 Kernels/lb	WW240	4 - 4.3	Slight increase
Whole white 320 Kernels/lb	WW320	3.9 – 4.1	Slight increase
Splits	FS/WS	3.2 - 3.35	Slight increase
Broken	LWP/LP	3.1 - 3.2	Slight increase

Raw Cashew Nut (RCN) CFR Asia			
Origin (Exportation period)	Outturn	Price USD/MT	Recent Changes
Nigeria (July)	42-44	1,100-1,200	Stable
Benin (July)	44-45	1,400-1,450	Stable
Ghana (July)	43-44	1350-1,450	Stable
Côte d'Ivoire (July)	43-44	1,350-1,400	Stable
Sene/Gam/GB (July)	50-52	1,700-1,800	Stable

Currency

Exchange Rate: 1 USD=			This Week	Last Week	Exchange Rate: 1 USD=			This Week	Last Week
West Africa	Franc CFA	XOF	589	593	East Africa	Tanzanian Shilling	TZS	2198	2191
	Nigerian Naira	NGN	282	283		Kenyan Shilling	KES	101	101
	Ghanaian Cedi	GHS	3.92	3.95		Mozambican Metical	MZN	63	63
	Gambian Dalasi	GMD	42	43	Asia	Indian Rupee	INR	68	68
	Franc Guineén	GNF	9011	9014		Vietnam Dong	VND	22300	22305

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