



AfriCashewSplits

The source of the latest crop and price information

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info@africancashewalliance.com

The International Cashew Market

The RCN trade remained quiet this week. Prices at the farm gate in India and Vietnam tended to stabilise after three weeks of price falls. In West Africa prices remain at season lows but without any significant trade, prices have not substantially changed.

International trade in RCN has been quiet. Vietnamese buyers have been noticeably absent from the African markets, but imports into Vietnam for the first quarter are up about 8% on last year. This has been driven by small increases of West African products mainly from old crop stocks and more imports from Cambodia. India's imports for the first quarter are significantly down, by 56% in fact, largely due to the absence of Tanzanian material from the market. Crops in SE Asia are well advanced. The opportunity for Vietnamese processors to buy material without coming to the African market is coming to an end. Kernels exports from Vietnam are up by about 7%. It seems likely that the time that Vietnamese processors can continue to stay away from the market is limited.

The Indian crop is progressing. It is likely to be a good crop but difficult to judge as it is spread over a vast area. Processors in India are in a good position to trade hand to mouth as they deal mainly in a domestic market, which functions largely on prompt shipment of kernels. India's exports of cashew kernels have collapsed since 2011. 2019 is not likely to be an exception to that trend. Working from reduced exports, old crop stocks and early arriving new crop in India processors have continued albeit on reduced capacity basis. They may have more time than their Vietnamese counterparts, but they may react to buying from Vietnam when it comes.

Cashew kernels prices slipped in the past week with forward offers from Vietnamese processors hitting US\$3.20 per lb FOB WW320. The weakening trend has tended to keep kernels buyers away from the market. However, they will need to come to the market either to top up cover for a month or two or to take more significant cover for the rest of 2019. Roasters will be trying to judge how lower prices will impact demand before making any significant move, but they will have to take some cover.

The market sentiment for the past six months has been negative. The trend has been accentuated by the difficulty in sourcing finance. This has impacted prices during a period when it was in the interests of all players except farmers that prices would fall. That may be coming to an end – the next 2-3 weeks will tell. A trader used to say, "the market looks weakest at the bottom", he may have been right.

The Cashew Market in Africa

RCN farm gate price in AFRICA in USD per MT

COUNTRY	1 year ago	1 month ago	1 week ago	Calendar week 15 (8 – 14 April 2019)		This week vs last week		This week vs last month		
				Reported range	Outturn in lbs.	Variation	Trend	Variation	Trend	
NIGERIA	1,324	654	461	392	560	45-47	3%	↗	-37%	↘
BENIN	1,363	604	590	494	579	45-47	-10%	↘	-13%	↘
GHANA	1,354	718	444	388	581	45-48	8%	↗	-48%	↘
MALI	1,081	-	279	215	345	44-47	0%	→	-	-
GUINEA BISSAU	1,880	-	-	620		50-54	-	-	-	-
SENEGAL	1,692	-	-	517	775	50-52	-	-	-	-

RCN CFR export prices offered in AFRICA in USD per MT			
COUNTRY	1 year ago	Calendar week 15 (8 – 14 April 2019)	
		US\$ per ton	Outturn in lbs.
NIGERIA	1,750	900 – 1,000	46-48
BENIN	1,950	1,100 – 1,150	47
GHANA	1,950	1,100 – 1,150	45-48
CÔTE D'IVOIRE	1,850	950 – 1,050	47-48

Worldwide WW320 export FOB prices in USD per lb.									
COUNTRY	1 year ago	1 month ago	1 week ago	Calendar week 15 (8 – 14 April 2019)		This week vs last week		This week vs last month	
				Range reported	Variation	Trend	Variation	Trend	
VIETNAM	4.55	3.40	3.30	3.20	3.35	-1%	↘	-4%	↘
INDIA	4.55	3.55	3.50	3.40	3.55	-1%	↘	-2%	↘
Prices ranges offered in:									
NIGERIA	3.60								
GHANA	3.50 – 3.60								
BENIN	3.35								
CÔTE D'IVOIRE	3.30								
MALI	3.50								

Country Reports

Nigeria

In calendar week 15 the reported farm gate price lies between 140 – 200 NGN per kg (USD 390 – 560 per ton) depending on location. Average quality is reported slightly lower this past week at on average 47lbs, with lower qualities as low as 45lbs. The rainy season is reported to have started. Buyers remain largely absent from the market.

Cfr export price for RCN 46-48 is offered in week 15 at USD 900 – 1,000 per ton. However, for those ready to ship the issue of the Nigerian export ports holding back RCN due to capacity and procedural delays remains a problem.

Amount of RCN purchased by local processors remains at 52,000 tons, with no additional buying reported in the past week.

Benin

The crop estimate remains at a very good 140,000 tonnes. This week reports a decrease in the farm gate price to 287-336 CFA per kg (USD 500 – 580 per ton). RCN quality is reported to vary strongly based on location between 45 to 47lbs. RCN 47lbs. is offered in this week at USD 1,100 - 1,150 per ton Cfr.

It is reported that so far in 2019 local processors have bought around 3,500 tons of RCN. Generally, there is still a large lack of buying activity both of RCN and kernels.

Ghana

The farm gate price is in this week in a range of 2.0 – 3.0 GHC per kg (USD 390 – 580 per ton) however the actual market position is far from clear. Reports persist of a decrease in quality at the farm gate. The current range of outturn is reported as variable between 41-46 lbs. The for Ghana unusually low quality continues to be attributed to climatic conditions (early onset of season) and post-harvest handling. However, there are reports of imported RCN being traded as Ghanaian perhaps giving a false view of the quality harvested in the country. Furthermore, there are reports that the second crop is considerably small, if not almost negligible.

It has been reported in this week that 45-48 lbs. RCN are offered at USD 1,100 – 1,150 per ton Cfr.

Cote d'Ivoire

The unconfirmed reports of RCN sales being made below the minimum farm gate price of 375 CFA per kg (USD 640 per ton) continue to persist strongly. With the lack of market activity, there are reports pointing out that the upcoming Ramadan season (May 5 – June 5) further applies pressure for some producers to sell at very low prices. Based on the official farm gate prices, the Cfr export price for RCN 48+ lbs. is calculated at USD 1,200 per ton without any profit margin added, but the reported market offers are ranging between USD 950 and USD 1,100 per ton.

Mali

This week reports the same farm gate price as last week of 125-200 CFA per kg (USD 220-350 per ton). The average outturn remains reported at 44 – 47 lbs. Buyers remain absent.

An estimated 21,000 tons have been exported since the onset of the season. This amount is likely a mix of Malian and foreign crop.

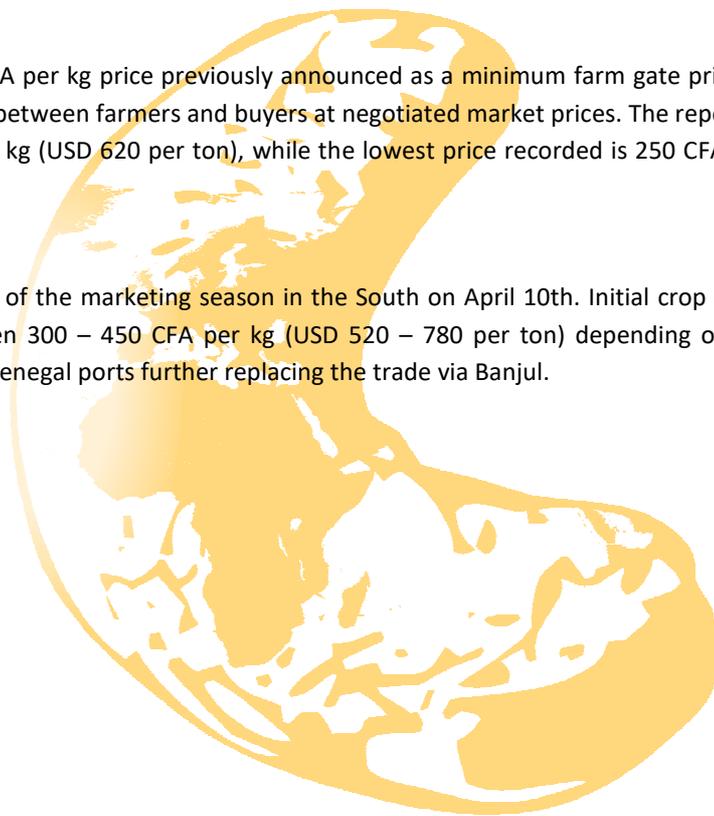
Local processors are reported to have purchased 220 tons RCN so far. Export price for WW320 kernels is offered between 3.00 – 4.00 USD per lb.

Guinea Bissau

The Government has announced that the 500 CFA per kg price previously announced as a minimum farm gate price is in fact a guide price and that business may be transacted between farmers and buyers at negotiated market prices. The reported average farm gate price for the past week is 360 CFA per kg (USD 620 per ton), while the lowest price recorded is 250 CFA per kg (USD 470 per ton) in some locations.

Senegal

The cashew season is underway with the launch of the marketing season in the South on April 10th. Initial crop estimates are positive. Prices at farm gate level range between 300 – 450 CFA per kg (USD 520 – 780 per ton) depending on quality and location. Export of RCN will again be focused on Senegal ports further replacing the trade via Banjul.



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

This is a publication of the [African Cashew Alliance](#)