



AfriCashewSplits

The source of the latest crop and price information

Week 26: June 24 – 30, 2019 – N°21

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The International Cashew Market

The combination of little buying interest, heavy arrivals of RCN into Vietnam and the onset of one of the quietest months of the year for kernel buying has weakened the international cashew kernel price in the past week. RCN traders may have withdrawn some of their support for the kernels market as their RCN contracts are delivered. The lower prices are mainly for shipment during July and August based on arriving RCN, which means that smaller processors need to sell kernels. Larger, certified processors have dropped their prices a little, but remain well sold and relatively relaxed in terms of their selling interest. There is, as usual, a belief that buyers will come to the market after the holiday season, but this remains to be seen and largely depends on how demand responds to the lower price range.

RCN balances remain in a number of West African countries with low trade. There are significant inventories in Nigeria (mainly in the warehouses) and Cote D'Ivoire (including still at farm level). RCN of higher quality from Senegal, Guinea Bissau and Gambia is still well supported by buyers and maintaining its price range. As the season draws to a close it seems likely that Cote D'Ivoire, Nigeria and Tanzania will be left with material to sell. This will weigh on the market in West Africa possibly into next year, but in Tanzania the remaining 2018 crop could pose a much greater problem as the new crop will begin in less than 100 days.

Prospects for kernel demand remain positive although processors would like to see more activity in India, China and the Middle East.

ACA Editorial

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 26 (24– 30 June 2019) | | This week vs last week | | This week vs last month | | |
| | | | | Reported range | Outturn in lbs. | Variation | Trend | Variation | Trend | |
| GUINEA BISSAU | 846 | 598 | 607 | 607 | 780 | 50-54 | 13% | ↗ | 14% | ↗ |
| SENEGAL | 802 | 726 | 954 | 780 | 1,041 | 49-52 | -5% | ↘ | 20% | ↗ |

*As their seasons come to an end trade has slowed down in other West African countries.

| RCN CFR export prices offered in AFRICA in USD per MT | | | |
|---|------------|-------------------------------------|-----------------|
| COUNTRY | 1 year ago | Calendar week 26 (24– 30 June 2019) | |
| | | US\$ per ton | Outturn in lbs. |
| NIGERIA | 1,350 | 800 – 900 | 46-48 |
| GUINEA BISSAU | 1,850 | 1,250 – 1,350 | 50-54 |
| SENEGAL | NQ | 1,250 – 1,300 | 52+ |
| GAMBIA | NQ | 1,350 | 50 |

Worldwide WW320 export FOB prices in USD per lb.

| COUNTRY | 1 year ago | 1 month ago | 1 week ago | Calendar week 26 (24– 30 June 2019) | | This week vs last week | | This week vs last month | |
|---------|------------|-------------|------------|-------------------------------------|------|------------------------|-------|-------------------------|-------|
| | | | | Range reported | | Variation | Trend | Variation | Trend |
| VIETNAM | 3.85 | 3.30 | 3.23 | 3.10 | 3.40 | 1% | ↗ | -2% | ↘ |
| INDIA | 3.95 | 3.48 | 3.48 | 3.340 | 3.55 | 0% | → | 0% | → |

Prices ranges offered in:

| | |
|-------------------------|-----------|
| NIGERIA | 3.30 |
| GUINEA BISSAU | 3.45 |
| SENEGAL (Domestic only) | 3.03-3.09 |

Country Reports

Guinea Bissau

In calendar week 26, crop estimate is reported to be 200 000 tons. Farm gate price ranges between 350 and 450 FCFA (USD 607-780 per ton) with an outturn of 50-54 lbs. It is reported that approx. 168,000 tons are stocked in Bissau (with approx. 95,000 tons declared for export) and approx. 37,000 tons have already been exported.

Export price for RCN is offered in week 26 at USD 1,250 – 1,350 per ton Cfr for 50-54 lbs.

Senegal

In week 26 it is reported that farm gate price ranges between 450-600 CFA per kg (USD 780 – 1,041 per ton) with an average outturn of 49-52 lbs. The quality of RCN originating from the country's southern Casamance region is reported to be declining as the rainy season arrives. It is observed that until now 47,000 tons have been purchased by local traders. Furthermore, it is reported that it is likely this total also incorporates crop from Guinea Bissau mixed with the Senegalese crop. The estimate is that the Senegalese crop is 30,000 tons, while approx. 20,000 tons are from Guinea Bissau. It is reported that about 40 tons have been bought by local processors.

RCN export price is offered between 1,250-1,300 USD per ton Cfr for 52+ lbs. Approx. 25,000 tons are reported to have been exported till date. It has been observed that there have been delays in exporting. WW320 kernels are reported to be offered for domestic purchase between USD 3.03 – 3.09 per lb.

Gambia

It is reported in this week that the 3rd crop wave is coming to the market. The onset of the rainy season has begun and is expected to peak by mid-July.

It is reported that as supply begins to slow down, buying activity is also slowing down considerably. In total an estimated 15,000 tons have been purchased, while an additional 3,000 tons are assumed to be in warehouses. Average outturn remains stable at 50 lbs., with the export price offered at 1,350 USD per ton Cfr.

Other countries

As the season comes to an end in the earlier harvesting countries there is little to report. Splits will keep you informed on important developments as they occur from week to week. Starting soon we will review the harvest season in each of the countries of West Africa in turn.

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](#)

