



AfriCashewSplits

The source of the latest crop and price information

Week 6: February 8 – 14, 2021 – N°2
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The International Cashew Market

It was a quiet week in the cashew market. Vietnam is closed for holidays. Most international kernels buyers are observing the market but buying is limited to small volumes. The chatter on the RCN continues as usual although trade is also limited. Speculative sellers continue to mention prices but most processors prefer to wait and see how the season begins.

Crops forecasts remain optimistic in West Africa. There is some concern in India that the crop will be later than normal. Official estimates of the Vietnamese crop are below last year's bumper levels at circa 380,000 tonnes from 297,000 hectares based on a yield factor of 1.29 tonnes per hectare. This is well below the trade estimates put forward at this time last year that told us that the crop was as high as 500,000 tonnes. As always caution is advised in assessing trade estimates. Based on current estimates the supply and demand balance continues to look tight but not in any major deficit or surplus position for 2021.

Exports of kernels have started the year positively. Vietnam has broken the January record in a continuation of the 2020 trend for export of cashew kernels. To put this in a longer term perspective – January 2021 exports were 2.5 times the level of 2017. On the import side, Vietnams imports were up on the January 2020 figure by about 20%.

Based on good export volumes and a later crop in India, there should be good demand for RCN once the trading season starts. This does not mean that RCN prices will necessarily rise as current quoted prices just about reflect the cashew kernels market leaving little room for price increases unless kernels prices move up too.

Benin Cashew Day organised by CONEC last week was an interesting event. There was a good discussion on the competitiveness of the cashew sector, market information and the future of cashew in Benin. An overall optimistic perspective gave reason to see a production increase as realistic in the coming years. The support of processing is becoming a higher priority with speakers mentioning an ambition to process 150,000 tonnes pf RCN within a decade.

This week is expected to be relatively quiet in the market. There are crops arrivals in Nigeria, Cote d'Ivoire and Cambodia that will allow some trade. The coronavirus crisis is still raging in many countries. Trading conditions remain very uncertain and travel is difficult likely meaning a relatively slow start to trading this season.

ACA Editorial

The Cashew Market in Africa

RCN farm gate price in AFRICA in USD per MT							
COUNTRY	1 year ago	1 week ago	Calendar week 6 (Feb 8 – 14 2021)		This week vs last week		
			Reported range	Outturn in lbs.	Variation	Trends	
BENIN	543	394	414	551	NA	18%	↗
BURKINA FASO	438	532	551	643	46-48	11%	↗
GHANA	878	878	690	776	48-49	-20%	↘
NIGERIA	622	741	876	929	48	18%	↗

RCN FOB export prices offered in USD per MT			
COUNTRY	1 year ago	Calendar week 6 (Feb 8 – 14 2021)	
		US\$ per ton	Outturn in lbs.
TANZANIA	NA	1500	50-52
GHANA	1,250	1,200-1,275	48-549
Cote d'Ivoire	1,300	1275	48

Worldwide WW320 export FOB prices in USD per lb.						
COUNTRY	1 year ago	1 week ago	Calendar week 6 (Feb 8 – 14 2021)		This week vs last week	
			Range reported		Variation	Trend
VIETNAM	3.2	2.9	2.80	3.05	1%	↗
INDIA	3.45	3.8	3.70	3.90	0%	→
COTE D'IVOIRE	3.25	3	2.90	3.10	0%	→

Country Reports

Benin

The 2021 crop estimate is 140, 000 tons. Good on farm practices and support from stakeholders in the use of inputs to fight diseases and pests is a factor in the improved estimate.

Exporters will start when the season is officially launched on 11 March 2021. However, trades have been reported at farm gates with prices ranging between 225 - 300 FCFA per kg.

Burkina Faso

The season in Burkina Faso has not started yet. However, trades have started at both farmer and small trader levels. The flowering is good, and farmers are expecting a good harvest this season.

It is reported that there may be new processing factories which will increase the overall processing capacity of the country.

The reported RCN quality ranges between KOR 46 to 48 lbs. Farm gate prices range between 300 - 350 FCFA per kg.

WW320 and LWP kernels represent a large volume of the stocks in the processing factories. The WW320 kernels are traded between \$ 2.80 - 3.05 USD per lb and the LWP kernels are traded for \$ 1.10 - 1.30 USD per lb.

Ghana

The average outturn is reported to be between 48 - 49 lbs which is said to be better than the 2020 season. Farm gate prices range between GHC 4.0 - 4.5 per kg.

RCN FOB is traded between \$ 1,200 - 1,275 USD per tonne for an outturn levels of 48 - 49 lbs. Locally processed WW320 cashew kernels are trading for \$ 3.0 - 3.25 USD per lb.

Nigeria

The official season kick off was held on the 30th of January organized by the National Cashew Association of Nigeria (NCAN).

The average outturn for this week is reported at 48 lbs. The farm gate price of the week ranges between 330 - 350 Naira per kg.

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](#)

