



AfriCashewSplits

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The International Cashew Market

The international market continued in a quiet mode over the past week. There were some trades for prompt WW320 in the range US\$3.35-3.40 per lb FOB but generally buyers remained absent from the market whilst processors were offering later positions from April-June in the range US\$3.41-3.55 per lb depending on the quality and reputation of the processor.

On RCN, processors continue to buy their own crops in Vietnam and India. Both forecast good crops. The international offered prices for RCN fell again last week with offers slipping by up to US\$50 per tonne. This is mainly the market trying to find a level, but the lack of genuine buying interest and the slow movement of buyers and more importantly their cash to buy at the farm gate is slowing the development of the season. Last week offers for Cote D'Ivoire 48lbs were seen at US\$1300/t and Nigerian lower quality \$1250 without buyers showing firm interest.

The market seems likely to continue in a quiet mode for the coming week. The problems of the second half of 2018 cast a long shadow over the RCN market and kernels buyers are waiting to see how the season develops before moving.

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 9 (25 Feb – 02 March 2019)		This week vs last week		This week vs last month	
				Reported range	Outturn in lbs	Variation	Trend	Variation	Trend
NIGERIA	1,565	-	648	694	49	7%	↗	-	-
BENIN	1,442	437	605	615	46-49	2%	↗	29%	↗
GHANA	1,461	-	841	735	919	-2%	↘	-	-
BURKINA FASO	1,284	-	756	633	737	-10%	↘	-	↗
IVORY COAST	1,256	437	562	433	780	7%	↗	28%	↗
KENYA	-	601	580	554	705	8%	↗	4%	↗

RCN export Cfr prices in AFRICA in USD per MT

COUNTRY	1 year ago	Calendar week 9 (25 Feb – 02 March 2019)		
		Reported range		Outturn in lbs
NIGERIA	2,000	968	1,200	47-50
BENIN	2,100	1,450	1,500	49-50
GHANA	2,200	1,330	1,400	48+
IVORY COAST	2,000	1,208	1,238	48

Worldwide WW320 export FOB prices in USD/lb.

COUNTRY	1 year ago	1 month ago	1 week ago	Calendar week 9 (25/02– 02/03/2019)		This week vs last week		This week vs last month	
				Range reported		Variation	Trend	Variation	Trend
VIETNAM	4.70	3.65	3.41	3.35	3.45	0%	→	-7%	↘
INDIA	4.70	3.65	3.45	3.40	3.55	1%	↗	-5%	↘

Prices ranges offered in:

BENIN	-	3.60
GHANA	3.50	3.65
COTE D'IVOIRE	3.50	-
KENYA	3.55	3.65

Country Reports

Nigeria

Farm gate has increased to 250 NGN/kg (690 USD/MT) with a slight decrease in quality of 47-48lbs.

This week there are reports of RCN 47-50 lbs being offered at 1150 USD/MT FOB. Other reports report RCN FOB prices of 330,000 NGN/MT Lagos origin (910 USD/MT). Nigerian processors are offering WW320 at 3.60 USD/lb FOB.

Benin

The estimated RCN production in Benin currently lies closer to 140,000 MT for 2019. Currently, prices are again this week depending reported to be on average 355 CFA/kg (615 USD/MT). Furthermore, there are reports that a top local processor has signed a contract securing supply of RCN from a FENAPAB-member (Federation Nationale des Producteurs d'Anacarde du Benin – National Federation of Cashew Producers in Benin) cooperative. Another reported observation is that small-scale domestic processing units have started direct sourcing from individual producers (cumulated amount source approx. 5MT).

The anticipated official season launch has been postponed to March 7. This week, Benin origin WW320 are again offered at US\$3.60 per lb. FOB by a top processor with no buying interest on the international market.

Ghana

Traders in Ghana's cashew region report again an average outturn of 49lbs. However, this week reports observe qualities in the range of 46-48lbs. This week's RCN farm gate price range remains at 4.0 – 5.0 GHC (730 – 900 USD/MT).

It has been reported in this week that 50-52 lbs. are as last week offered between 1335 – 1400 USD/MT Cfr. Due to the higher quality it can be assumed that these are stocks harvested/bought earlier. This week for 48+ lbs RCN a price range of 1330 – 1400 USD/MT Cfr is reported.

The WW320 FOB export price range offered this week remains at 3.50 – 3.65 USD/lb. offered by a top processor. Considering international market prices there is no buying interest at this level. Demand from kernel buyers seems to be weak. Slow response from markets is a major concern for processors interested to take positions on the RCN markets.

Ivory Coast

Official estimates at 800,000 MT confirm expectations of a good 2019 crop.

Average outturn remains reported at an average 48lbs this week. Reports see a risk that a slow start to the commercial season could jeopardize quality as the harvest starts. The launch is currently reported to be scheduled for March 5.

Farm gate prices are this week reported in a range of 250-450 CFA/kg (430 – 780 USD/MT). It is reported by some observers that the government baseline price is not being adopted which could be due to old crop being traded or expectations of a fall in prices.

This week the RCN FOB price is reported in a range of 670-690 CFA/kg (1160 – 1190 USD/MT).

The WW320 FOB export FOB price offered this week is quoted at 3.50 USD/lb. CCA estimates that 130,000 MT will be locally processed in 2019.

Burkina Faso

The season was officially launched this week. The baseline RCN farm gate price has been set at 375 CFA (650 USD/MT), thereby matching the Ivorian baseline. The export levy for RCN has been set at 25 CFA/kg (43 USD/MT).

It is reported that RCN trade is stable and mostly done buy local buyers who are using their own finances to buy RCN. The reported farm gate price range has decreased this week to 365 – 425 CFA/kg (630 – 730 USD/MT) compared to a range last week of 400 – 475 CFA (690 – 820 USD/MT). Reports state that farmers are now aware of the risk of holding on to inventories for too long. Nevertheless, it is reported that some farmers remain reluctant to sell in the current price range.

Prices offered on the kernel market are quoted at 3.75 USD/lb for WW320, 3.00 USD/lb for FS, and 2.75 USD/lb for LWP grade. These prices are higher than the international market. Reports state buyers in Burkina Faso are delaying their decisions and processors do not have their processing plans clear at this point.

Kenya

The Kenyan crop season has come to an end. Reported estimated crop production (7,000 MT) and RCN outturn (48-52lbs) both stay the same this week. A shift in farm gate price has been reported from 55 to – 70 KSH per kg (550 – 700 USD/MT).

This week processors in Kenya report a W320 Export FOB price offered between 3.55 – 3.60 USD/lb without trade reported.

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