



AfriCashewSplits

The source of the latest crop and price information

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The International Cashew Market

Cashew kernels markets worldwide have continued to strengthen whole grades as buyers come in to replace purchases already shipped early and sold in the demand boom in Europe and North America during the lockdown. Those markets are likely to return to more normal consumption levels as the lockdown restrictions are relaxed. WW320 prices for good, reliable, certified processors have moved into the US\$3.05-\$3.10 per lb. range FOB. There are premiums for immediate shipment or spot goods as gaps in buyers cover emerge. Lower level, unqualified processors with nearby material are not selling as well from Vietnam as buyers need certified products. We can expect to hear prices which seem out of line with the trend. In India, wholes grades prices have moved up as a result of resilient demand and reduced processing volumes. The story on broken grades is less optimistic as buyers everywhere hold back on broken for now.

The late buying of African RCN by processors may well cause damage to quality and cause a greater outturn of broken which is not good news for processors. This and the rise in RCN prices means that, although kernels prices have almost returned to where they were before the coronavirus crisis, processors margins are not so good that they will chase RCN prices upwards. The RCN market has steadied on lower supply, government support and the advancing weeks as the window for Vietnamese and Indian buyers to buy narrows. Export of cashew kernels from Vietnam has been at record levels and reports of an exceptionally large crop have turned out to be exaggerated so buyers are likely to remain in the market but will be sensitive to prices. The Indian position is less clear. Processing volumes are reduced by the need for social distancing in factories and the supply chain is restricted by the lockdown regulation. These actions do so far appear to have spared India the worst of the impact of the coronavirus. Everyone will hope that India can get back to business as normal soon.

Although RCN has been shipping and some lockdowns have eased the coronavirus is far from over. One scientist estimated that the World is about a quarter way through the pandemic. The position remains uncertain. For example, the recession in Europe and North America could impact demand and the impact of the pandemic restrictions on the crops in India, Nigeria, Guinea Bissau, and other West African countries is far from clear. It is a time to heed the advice of experts to maintain your good health and to make sure that your cashew related decisions are also based on good market information.

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 19 (April 27– May 3, 2020)		This week vs last week		This week vs last month		
				Reported range	Outturn in lbs.	Variation	Trend	Variation	Trend	
NIGERIA	348	520	494	258	387	45 - 46	-53%	↘	-61%	↘
BENIN	470	536	520	477	647	47 - 48	8%	↗	5%	↗
GHANA	450	392	263	517	569	46 - 47	52%	↗	28%	↗
MALI	192	392	208	168	251	40 - 46	1%	↗	-87%	↘
GUINEA CONAKRY	384	266	265	531		38 - 49	0%	→	0%	→

* Cote d' Ivoire has announced a minimum farm gate price of 400 fCFA per kg (690 USD per ton).

RCN CFR export prices offered in USD per MT			
COUNTRY	1 year ago,	Calendar week 19 (April 27– May 3, 2020)	
		USD per ton	Outturn in lbs.
NIGERIA	900	1,050	45-46
BENIN	1,050	1,120	47-49
GHANA	1,050	1,150	50
COTE D'IVOIRE	950	1,050	48
GUINEA BISSAU	1,300	1,250	52-53
SENEGAL	1,250	NQ	50-52
MOZAMBIQUE	NQ	NQ	44-50

Worldwide WW320 export FOB prices in USD per lb.									
COUNTRY	1 year ago	1 month ago	1 week ago	Calendar week 19 (April 27– May 3, 2020)		This week vs last week		This week vs last month	
				Range reported		Variation	Trend	Variation	Trend
VIETNAM	3.30	2.95	3	2.90	3.20	2%	↗	3%	↗
INDIA	3.50	3.30	3.25	3.60	3.70	11%	↗	10%	↗
Prices ranges offered/sold in:									
Cote d'Ivoire						US\$3.12 per lb. FOB Immediate			

Country Reports

Benin

RCN prices have stabilized in a wide range of CFA280-380 / kg depending on location and quality. There are some concerns regarding the remaining harvest.

Burkina Faso

The first season harvest is over. The second flowering is low, which does not forecast a good harvest. In addition, the rains that are beginning to fall in the production areas are causing the fruits to fall and deteriorating the quality of the RCN on the farms.

Trade continues to intensify with renewed interest from buyers. Competition for RCN at farm gate has pushed up prices. In some villages in the Cascades region, a box of cashew nuts (1.4 kg) was selling for 500 F CFA. That is 350 F CFA per kg farm gate which is above the fixed farm gate price of 330 F CFA per kg. Consequently, this has made many producers to take out their stock for sale.

Most processors are able to secure a good level of stock. Those that do not yet have their target volume continue to get supplies. The various actors of the value chain agree that the available volumes are no longer large, even though in some villages, some producers are still harvesting their last crops and others are still refusing to sell their stock, waiting for better prices.

RCN quality has dropped and ranges between KOR 44-45 per lb. with a nut count of 190 to 200 per kg due to prolonged storage of stocks at producer level mostly in polypropylene bags.

Côte d'Ivoire

The crop forecast was reduced by the regulatory body CCA to 730,000 tonnes about 9% down from earlier estimates. Quality has declined for product remaining in the field as rains damage the nuts. Estimates of committed volumes range from 331,000 tonnes (CCA) to 400,000 tonnes from some trade sources. Most buyers are active with prices in a wide range reported from CFA 400 to CFA250/kg at the farm gate depending on quality and location.

Ivorian processors have seen good buying interest for kernels particularly whole grades. Prices have picked up in the last two weeks as buyers in Europe need nearby shipment which has traded up to US\$3.12 per lb. FOB. Transit from Abidjan to European ports can be as little as 15 days opening opportunities in markets which is empty of spot stocks.

Ghana

This week, the farm gate price ranges between GHC3-3.30 with an outturn of 46-47 lbs. RCN FOB ranges between US\$1000-1100 per tonne and WW320 is offered at US\$ 3.00 – 3.25/lbs.

Guinea Bissau

The cashew season is close by and will most likely start when the lockdown is renewed with moderated restrictions on 11th May. Exporters are gearing up for the season with bank advances and rumors of support for the season from the government and international institutions.

Mali

Mali continues to face a difficult time as transport and buying are interrupted by the corona virus crisis. The quantity of nuts has dropped this week as farmers are starting to get discouraged by the very low farm gate price. Currently, there is no case of coronavirus in the cashew production areas of Mali and exports are gradually taking place. Buying prices are determined by local buyers who have so far purchased 50 tonnes at a range of 100 – 150 FCFC/kg. Foreign buyers who are already present are cautious because they do not have such a large storage capacity in Mali.

Nigeria

As in many countries, movement of raw material is hindered by restrictions imposed due to coronavirus, but it is reported that some states will ease the lockdown from Monday 4th April.

It is reported that Nigeria wants to increase RCN processing and 50,000 tonnes of RCN have been bought so far by local buyers for processing or resale. The trees are no longer yielding and there are not much fruits on them resulting in limited availability of RCN at the farm gate. Prices have picked up this week with farm gate pricing moving up to 180-200 Naira per kg for wet RCN. WW320 is still offered for a competitive price of US\$2.80 per lb.

RCN quality has dropped to KOR 45 lbs – 46 lbs. Some areas are experiencing even poorer quality of as low as 40 lbs due to poor post-harvest handling.

RCN FOB is offered at \$1,050 per tonne.

Senegal

Currently, the 2019/2020 crop estimate is reported at 50,000 tonnes although the season has not really started as activities are halted because of the coronavirus pandemic. RCN quality this week ranges between 50lbs - 52lbs and farm gate price between 200 – 250 FCFA/kg.

To mitigate the impact of the coronavirus pandemic on the national economy, the “Délégation générale à l'Entrepreneuriat rapide des Femmes et des Jeunes” signed an agreement with Senegalese banks including BNDE, Crédit Mutuel du Sénégal (CMS) and PAMECAS on 28th April. This funding of 6.7 billion F CFA expected **to reach 10 billion** FCFA will boost activities in the coming weeks.

RCN FOB ranges between CFA300-310 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](#)

