



AfriCashewSplits

The source of the latest crop and price information

Week 25: June 17 – 23, 2019 – N°20

info@africancashewalliance.com

The International Cashew Market

It was a quiet week for trade, with the international kernels market for prompt and nearby shipments falling slightly to \$3.15 per lb FOB Vietnam for medium and smaller processors. Heavy arrivals of raw cashew nuts in May and June prompted the processors to sell their inventory, but buyers are mainly covered for the near shipping months. This reverses the earlier position where a shortage of material was keeping the near positions firm. For forward positions from larger processors prices offered have eased a little, but there is less pressure as one of the advantages of a good reputation is being able to sell forward. Broken cashew kernels continue to look weak and this may be made worse as lower quality raw cashew nuts are processed. There may be some demand ahead of the holiday season from Europe and the USA, but July and early August are often quiet. Reports from India suggest that domestic demand is likely to improve from July, but this will not impact the international kernels market though it could impact RCN.

The RCN market has been relatively stable. Vietnam imports are ahead of last year indicating that processors are well supplied for now. Indian imports remain about 60,000 tonnes down on last year at the end of May 2019. June and July 2019 may see this gap close as shipments from Guinea Bissau arrive. Worldwide, the RCN available should be required this year, but buyers may be reluctant as they see bulk of the Tanzanian crop still in warehouse and significant unsold volumes in Cote D'Ivoire and Nigeria.

The kernels market seems likely to remain quiet in Europe this week with a heatwave predicted. The US may see some minor short covering, but will be quiet next week for the national holiday on July 4th. RCN may see some buying interest at the farm gate at the lower end of the price range.

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 25 (17 – 23 June 2019)		This week vs last week		This week vs last month		
				Reported range	Outturn in lbs.	Variation	Trend	Variation	Trend	
NIGERIA	737	348	349	280	420	38-43	0%	→	1%	↗
GHANA	959	529	186	559	633	45-49	69%	↗	11%	↗
MALI	532	321	363	-	-	40-46	-	-	-	-
GUINEA BISSAU	1,011	-	641	520	693	38-48	-6%	↘	1%	↗
SENEGAL	1,020	726	940	867	1,040	49-52	1%	↗	24%	↗

RCN CFR export prices offered in AFRICA in USD per MT			
COUNTRY	1 year ago	Calendar week 25 (17 – 23 June 2019)	
		US\$ per ton	Outturn in lbs.
NIGERIA	1,350	800 – 900	46-48
GHANA	1,800	850 – 950	45-46
CÔTE D'IVOIRE	1,500	1000 – 1,050	47-48
GUINEA BISSAU	1,850	950-1300	50-54
SENEGAL	NQ	1350	51+
GAMBIA	NQ	1,375	51

Worldwide WW320 export FOB prices in USD per lb.

COUNTRY	1 year ago	1 month ago	1 week ago	Calendar week 25 (17 – 23 June 2019)		This week vs last week		This week vs last month	
				Range reported		Variation	Trend	Variation	Trend
VIETNAM	4.55	3.40	3.30	3.10	3.35	-2%	↘	-5%	↘
INDIA	4.55	3.55	3.50	3.40	3.55	-1%	↘	-2%	↘

Prices ranges offered in:

GHANA	3.50 – 3.60
CÔTE D'IVOIRE	3.30
MALI (Domestic only)	3.50
SENEGAL (Domestic only)	3.03-3.09

Country Reports

Nigeria

This week, the market is generally quiet in Nigeria and same for other cashew producing countries in West Africa. This is because the season is ending. In calendar week 25 the reported farm gate price remained between 100 – 150 NGN per kg (USD 280 – 420 per ton) depending on available quality. RCN quality is reported to be 38-44 lbs.

Cfr export price for RCN 46-48 is offered in week 25 at USD 800 – 900 per ton.

Amount of RCN purchased by local processors is reported to be 75,645 tons from a crop estimated at between 240,000 and 270,000 tonnes.

Ghana

In calendar week 25, the farm gate price ranges between 3.00 -3.4 GHC per kg (USD 559 - 633 per ton). The current range of outturn is reported varying between 45-49 lbs.

Total RCN export since the start of the season is reported to be 207,000 Mt. The export figure includes nuts from neighboring countries exported in transit through Ghana.

Mali

The average outturn remains reported at 40 – 46 lbs. for this week. Currently, traders have started sorting and drying to obtain quality nuts. It is reported that the prolonged storage at both producers' and traders' levels is causing quality to decline.

It is estimated that a total of 101 500 tons of RCN have been exported since the onset of the season which may include product transited through Mali for export. There are practically no more stocks at the local producers and traders levels. Traders also took advantage of the scarcity of stocks to sell the last available stocks to exporters from Burkina Faso, Ghana, Ivory Coast and India.

Local processors are reported to have purchased 800 tons RCN so far.

Guinea Bissau

In calendar week 25, crop estimate is reported to be 180 000 tons. Farm gate price ranges between 300 and 400 FCFA (USD 520-693 per ton) with an outturn of 50-54 lbs. it is reported that a total of 80,000 tons have been reported since the start of season.

FOB export price for RCN is offered in week 25 at USD 950 – 1,300.

Senegal

To this week, an estimate of 45,250 tons has been harvested, of which 25,250 tons are currently stored in stores and 20,000 tons have already been exported. Farm gate price ranges between 500-600 CFA per kg (USD 865 – 1,040 per ton) with an outturn of 49-52 lbs.

It is reported that about 40 tons have been bought by local processors.

RCN FOB export price from Dakar-India remains same as last week at USD 1,200 and WW320 kernels are reported to have been traded at USD 3.03 – 3.09 per lb. in the local market ex-factory.



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

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