

Dear client,

This week we will only issue a report on cashews. As usual, at the end of this e-mail we will have a our prices FCA and afloat (see attached some graphic reports as well). In case you have questions of enquiries for these goods (or goods that are not on these lists), do not hesitate and contact us please.

### **INDIAN CASHEWS**

The market is maybe looking a touch firmer, we have been bid for W320 at \$3.37 per lb fob for October, November and December and maybe buyer will pay \$3.38 per lb fob if offered (but will not bid). Best we are seeing this morning for this position is \$3.40 per lb fob and maybe will come down 1 cent. However, we do not see too much being offered – even at the \$3.40 per lb fob level W240 best we have seen is \$3.55 per lb fob for October and we are buyer at the level for November and December Shipments. Many shippers are unwilling to offer as prices are too low and processing capacity has been cut dramatically in Kerala. Some shippers presently in Europe are reporting back to India that they believe there is good demand to come from Europe and prices will start to move firmer again

The local kernel market between processors and exporters is unchanged – but there does seem to be more selling interest, and only buyers reported are asking for one to two months credit. Delhi / Mumbai is steady with demand for good quality brokens and prices remaining stable, Guinea Bissau raw seed afloat reported to have traded down to \$1525 CF. Indonesian reported traded at equivalent of \$1620 CF No change from Tanzania at the moment

The raw cashew nut production in India slipped last fiscal and continued to stay much below the requirement of the industry, while the global demand is growing at over 10 per cent per annum. Cashew markets are growing at 10 % and more not only in India but also in the US, Europe and other countries. Meanwhile the high processing cost in India continue to keep the prices at higher levels than Vietnam.

### **VIETNAM CASHEWS**

We just got information that during 8 month of 2015, Viet Nam exports 214,000 MT kernels, increase about 16,49% compared to same period last year.

Western market was weak since last week of Aug. There is not much buying interest and if there is any buying demand, buyers mainly ask for forward shipment kike Oct to Mar. Prices for this period is around 3.70 - 3.72 for W240, 3.50 - 3.52 for W320. There is quite some biz done at these levels. We also received bid for small/medium packer for SW/LBW for Oct - Dec at 3.30, W360 at 3.40 and W240 at 3.58 without any biz because packers think this price is too risky. Buyers also showing price idea for WS at 3.05 - 3.06 but not much biz done at these level because domestic market for broken grades are still high, packer cannot make profit at this level. There is not much demand for LP grade, most buyers said price of LP currently is high, it should come back below 3.00 usd/lb fob.

Chinese market: it is also weak. Due to Chinese currency is devalued, import duty for cashew kernels is 13% at present then it cause more difficult to Chinese buyers. They mainly buy from very good packers at 8.35 usd/kg tin can for W240 and 8.05 for W320, 7.60 for W450, 5.60 for SK1, 7.00 for WS. If normal packers they pay 10 - 20 cents lower depends on quality and demand is not much.



Domestic market price is increased in Oct. Due to stock is not much and RCN offered in domestic market is also higher than in SH Sep then processors keep offering at high price. Quite some exporters need to cover in domestic market to fulfill their old contract then have to buy even price is not attractive. Price in domestic market was at:

W240 at 7.60 – 7.70 usd/kg unpack (equivalent to 3.58 – 3.60 usd/lb FOB) W320 at 7.40 (equivalent to 3.42 USD/lb FOB) WS at 6.40 (equivalent to 3.05 – 3.07 USD/LB FOB) LP at 6.30 (equivalent to 3.00 USD/LB FOB)

Market for RCN in domestic is active, demand for RCN is good. Price in domestic market at around 1450 usd/mt for IVC 48 lbs, 1525 usd/mt for Ghanna 51 lbs, 1700 usd/mt for Vietnamese seed 53 lbs from factory gate. At these levels, small/medium packer need to sell W320 around 3.42-3.45 and top packer at around 3.50 – 3.52 to make parity.

International market for RCN is quiet due to price is high. Reported that there is bid for small quantity from medium packer who mainly sell to China at good price at 1600 usd/mt cif HCM for Indonesia seed 52/210, at this level packers cannot make parity for selling to Western market currently. We also heard that Indonesian currency is strong about 10% higher than in early Sep compared to USD then this is disadvantage for seed traders to offer RCN at this stage. They have to put higher price in USD while kernels price is low.

#### Market indication:

- **The last couple of months there is this constant talk that at these RCN sellers cannot accept the current market buying prices and only would sell than with a loss.**
- **Despite this we have seen a constant movement down in prices being offered by various brokers and sellers will accept low bids. Lowest levels we see now are W 240 at U\$ 3,55, W 320 at U\$ 3,33, W 450 at U\$ 3,25 , WS at U\$ 3,03 and LP at U\$ 2,98- Of course these are from the cheapest shellers which might be forced to sell due to financial pressure- Medium shippers are on average U\$ ,07 cent and top shippers which are BRC//FSSC22000 certified abt U\$ 00,15 cents higher.**
- **It is clear that most buyers either dealers//final consumers are at least fully covered in Western Europe until end of December 2015, and partly covered until the end of March// April 2016.**
- **There will be some final business to be done before the end of the year, but seems to be not enough to move the market upward, therefore a conclusion could be that sellers will try to attract buying interest with cheaper offers.**
- **That's why we also see constant cheap spot offers, and higher prices for later shipments because shellers are calculating with higher RCN prices.**
- **Real advice is to only buy spot shipment or Fca Rotterdam at the latest possible time, there you will get your best prices. There are always risk that market will increase but seems to be a good strategy, we are following this in any case.**



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Kindest regards,  
Paul, Nurcan and Mark  
Trade Department

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### PEANUT PRICES FCA\*

Packaging quantity	Total MT	Origin	Grade	Crop	Price US\$ /MT
60 big bags	75,00	Argentinian	Runner 40/50	2015	1350
60 big bags	75,00	Argentinian	Runner 50/60	2014	1300
16 big bags	20,00	Argentinian	Runner 60/70	2014	1295
40 big bags	50,00	Argentinian	Runner 60/75 blanched	2014	1525
360 poly bags	9,00	Argentinian	Runner 60/70 blanched	2014	1525
8 big bags	10,00	Argentinian	Runner 70/80	2014	1195
39 big bags	48,00	Brazilian	Runner splits blanched	2015	1475
115 poly bags	2,88	Chinese	Virginia Shandong 24/28	2013	2080
720 vacuum bags	18,00	Chinese	Virginia Shandong 24/28	2014	2100
663 cartons	16,58	Chinese	Virginia Shandong 25/29 Blanched	2014	1975
271 vacuum bags	6,78	Chinese	Virginia Shandong 25/29 Blanched	2014	1935
40 big bags	16,42	Chinese	In shell 11/13	2014	1900
22 big bags	24,00	Nicaraguan	Splits blanched	2014	1550
38 big bags	41,68	Senegal	70/80 SPANISH TYPE for Birdfeeding	2012	1275
35 big bags	35,00	USA	Medium Runner South-West 40/50 Blanched	2013	1525
125 big bags	125,00	USA	Medium Runner 40/50	2014	1445
18 big bags	19,75	USA	Virginia Extra large 28/32	2013	1425
<b>Sunflower / Pumpkin</b>					
1061 paper bags	21,22	Argentinian	In-shell 22/64 Striped	2014	1350
3 big bags	3,00	Chinese	Shine Skin A grade EXTRA CLEANED	2014	5825
<b>SPECIAL OFFER: PEANUT PASTE &amp; ROASTED SPLITS</b>					
870 cartons	21,75	Argentinian	Roasted splits	2015	1925
80 drums	4,00	Argentinian	Paste colour 42 Density 4 mills extra smooth	2014	2200

### PEANUT PRICES CFR / CIF (AFLOAT)\*

Packaging quantity	Total MT	Origin	Grade	Crop	ETA	Price US\$ /MT
680 cartons	17,00	Chinese	Virginia Shandong 24/26	2014	28-10-2015	2175

\* Prices are subject to final confirmation.



CASHEW PRICES FCA\*

Packaging quantity	Total lb	Origin	Grade	Crop	Price US\$ /lb
750 cartons (2x10kg tin)	35000	Indian	WW320 (DESTINATION FELIXSTOWE)	2015	3,70
700 cartons	35000	Vietnam	LP	2015	3,15
305 cartons	15250	Vietnam	SP	2014	2,77
840 cartons	42000	Vietnam	WW450	2015	3,54

CASHEW PRICES CFR / CIF (AFLOAT)\*

Packaging quantity	Total lb	Origin	Grade	Crop	ETA	Price US\$ /lb
540 cartons	27000	Indian	WW320	2015	26-10-15	3,53
500 cartons	25000	Vietnam	WW320	2015	19-10-15	3,53
700 cartons	33600	Vietnam	WS	2015	19-10-15	3,25

\* Prices are subject to final confirmation.