

Coconut Update

- The price of desiccated coconut has increased significantly compared to last month.
- Despite being in the peak harvest season, raw materials remain scarce due to adverse weather conditions, making it difficult for sellers to fulfill orders.
- Prices are expected to keep rising, and material shortages are likely to continue.



6th November, 2024



Inside

A. Price

B. Supply

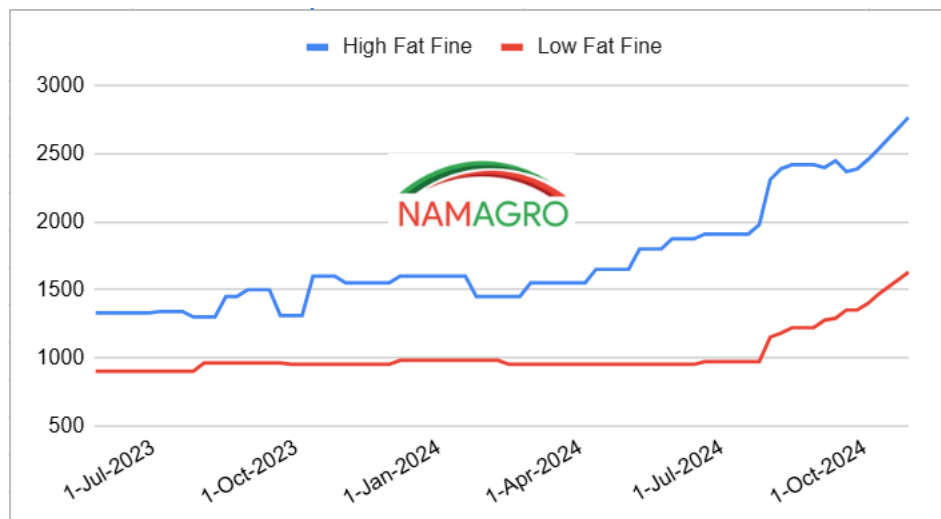
C. Demand

D. Our View

A. Price:

Price FOB USD/Ton	
Date	6-Nov-2024
Grade	Regular
High Fat Fine	2770
Low Fat Fine	1630

Offers are subject to reconfirmation and till stocks being unsold
For special tests such as Micro, Mycotoxins, Pesticides please get in touch



Desiccated coconut prices have increased significantly compared to last month due to a shortage of raw materials. This shortage is the result of prolonged heat, pest infestations, and saltwater intrusion, all of which have severely impacted coconut production. The situation is further worsened by rising demand for fresh coconuts, driven by the hot weather, which intensifies the scarcity of raw materials and continues to push prices high month

B. Supply:

Although Vietnam is currently in the harvest season, raw materials remain scarce and in short supply. As noted in previous reports, many coconut farmers have observed a significant decline in yields, with some trees producing up to 50% less fruit. This reduction is primarily due to unfavorable weather conditions and saltwater intrusion in key growing areas, which have impacted the trees' ability to bear fruit, despite no significant changes in the size of the cultivation area.

As a result, the Vietnamese coconut market, particularly for desiccated coconut, has seen a sharp rise in prices. With the current limited supply, factories have made very few new offers for this product.

Both the Philippines and Indonesia are experiencing a shortage of raw coconuts, with supply from the Philippines particularly tight and Indonesia slightly better off. Factories in both countries are struggling to meet global demand. Although production commitments extend through the end of the year and beyond, the limited availability of raw materials is preventing full-capacity operations with many factories operating at less than 60% capacity. The shortage of raw materials also lead to delays in production schedules.

C. Demand:

Demand for Vietnamese desiccated coconut continues to grow steadily, with Europe, the America, China, and Thailand as the leading markets.

However, stocks are already running low in these key buyer regions, making prompt procurement increasingly challenging. This situation is exacerbated by supply shortages in other major producing countries, intensifying competition for available stock.

D. Our View:

- **The price of desiccated coconut has increased slightly by compared to last week.**
- **Despite being in the peak harvest season, raw materials remain scarce due to adverse weather conditions, making it difficult for sellers to fulfill orders.**
- **Prices are expected to keep rising, and material shortages are likely to continue.**

For any questions or comments please feel free to contact our team:

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