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MARKET MOVERS

September 2026

OCEAN FREIGHT

- Escalating tensions in the Middle East are increasing concerns around global fuel supply chains, particularly around the Strait of Hormuz, with supply constraints already being reported at key bunkering hubs including Fujairah, Khor Fakkan and Port Suez. While bunker price increases remain relatively modest, any further disruption could lead to higher fuel costs, carrier surcharges and increased pressure on ocean freight rates in the coming weeks.
- Maersk and Hapag-Lloyd are expanding their return to the Suez Canal, moving additional Asia–Europe and India–Europe services away from the longer Cape of Good Hope route, which should improve transit times and network efficiency. While this is positive for customers, ongoing security concerns in the Red Sea mean routing decisions remain subject to change.
- Strong volumes continue, with significant cargo delays from previous weeks due to ongoing Typhoon-related disruption. Market instability is expected to continue through Golden Week.
- Equipment shortages remain widespread, with all carriers impacted across key origins and trade lanes.

Data Source: Kuehne+Nagel

WEATHER & CLIMATE

- The WMO reported in September that El Niño is strengthening and could become a very strong event, increasing the risk of extreme heat and disrupted rainfall patterns through the end of 2026 and into early 2027.
- Ghana has reported uneven weather conditions, with parts of the country experiencing rainfall deficits. This could add pressure to cocoa development if dry conditions continue.
- In Sri Lanka, severe drought conditions have been reported, with some agricultural areas receiving 85–100% less rainfall than their long-term average. Water sources and reservoirs are also under significant pressure.
- The strengthening El Niño is increasing the risk of hotter and drier conditions across parts of Southeast Asia, making rainfall levels an important factor to monitor for coconut production.
- Severe summer heat and drought have contributed to one of France's lowest grape harvests in 30 years. This highlights the continuing impact of extreme weather on European fruit production.

Data Source: World Meteorological Organization (WMO) and Reuters

GLOBAL FOOD NEWS

- El Niño is reported to be strengthening and is expected to influence global weather and agricultural markets into 2027.
- NOAA has given a 97% probability that the event will persist through early spring 2027, and an 81% chance of reaching the 'very high' category during October-December 2026.
- This brings a potential for 6-month inflationary pressure across grains and soft commodities, with altered rainfall and temperature patterns affecting production.
- Ivory Coast's port arrivals reached around 2 million tons by 23rd August, which is an approximately 20% year-on-year growth.
- The overall 2026/27 crop remains uncertain, with swollen shoot disease, ageing trees and variable rainfall threatening Ghana's production.
- The Ivory Coast is introducing a mandatory national traceability system from 1st September ahead of EU deforestation requirements.

Source: Food Forensics

CURRENCY SEPTEMBER 2026

GBP vs USD

GBP vs EUR

USD vs EUR

USD vs TRY

Data Source: XE

COCONUT MARKET UPDATE

SUSTAINABLE COCONUT PARTNERSHIP

Effects of El Niño on Coconut Harvest

Since mid-August, the El Niño weather phenomenon has started in earnest. According to scientists monitoring Pacific Ocean temperatures, it is now the strongest on record. Shifting wind patterns mean that the world's key coconut-producing areas in Far East Asia, such as the Philippines and Indonesia, will likely face droughts and severe water stress. This will consequently lead to diminished harvest yields, with smaller nuts containing reduced oil content. In order to produce good-quality coconut products with maximum kernel thickness and high oil content, coconuts must be left to mature for just over a year before harvesting.

Prolonged heat and drought mean that stressed coconut palms produce fewer flowers and smaller nuts, which tend to drop prematurely. Healthy, mature coconuts typically weigh around 600g per nut, whereas stress-affected nuts weigh roughly 280g each. These smaller nuts contain less coconut meat and coconut oil, meaning smaller and less efficient yields are available for processing into coconut products such as desiccated coconut.
Suppliers are expecting significantly reduced raw material availability next year, with a production gap already forming by Q1 2027. Prices are expected to increase in response to reduced exports. By the time buyers see tighter availability and declining quality, the harvest has already been decided. Therefore, customers must plan ahead to secure volumes against their competitors.

Philippines water levels drop due to El Niño

One of the clearest indicators of the drought that has begun in South East Asia is the water level in the Angat Dam. The Angat Dam is the Philippine's largest reservoir, supplying more than 90% of Manila's water needs, and is a highly visible indicator of a widespread rainfall deficit. On July 22, 2026, the Angat Dam dropped to its lowest recorded level, 152.12m. This surpasses the previous record set in 2010 which occurred during a severe drought. This record low water level will impact crop health and harvests in the Philippines; it is already estimated that Philippine agricultural output in Q2 2026 declined as the effects of the developing El Nino began to impact crop production.

Vietnamese heatwave impacts coconut prices

An ongoing heatwave in Vietnam has seen temperatures forecast to exceed 40 degrees Celsius at the end of September. This period of prolonged heat has already had an effect on Vietnam's coconut economy, with prices rising by 10% in the last few weeks. Price increases have also been driven by heavy buying from Vietnam's Chinese customer base, who are looking too secure large volumes in preparation for further disruption due to the bad weather.

Indonesian wildfires cause record haze

Since August, Indonesia has been battling harsh wildfires, with parts of the country blanketed in toxic smog that has pushed air quality into "unhealthy" territory. Indonesia's Health Ministry has estimated that some 175,000 Indonesian have suffered from respiratory illness since the forest fires started. Although wildfires are not unusual during Indonesia's dry season which runs each year from July to October, the fires and haze this year have been worsened by the effects of the super El Nino weather event, which has created even dryer conditions than usual. Since January, over 895,000 hectares of land has burnt. Indonesia's government has carried out several rounds of cloud-seeding and water bombing operations in recent weeks, but the vast territory makes this a difficult task. Officials have warned that October could be even dryer and hotter.

Ivory Coast launches coconut replanting program

The Ivory Coast's Ministry of Agriculture has launched an ambitious coconut replanting program which aims to grow 100,000 hectares of coconut palm trees over the next 10 years. The program is being carried out in response to a decline in national production – production during the 1980s-1990s was estimated at 480,000 tons a year whereas current production is only around 150,000 tons. The project is already in its active phase, with 2000 hectares planned to be planted in 2027.

DRIED FRUIT MARKET UPDATE

Vine Fruits

One factor currently dominating the market is the Turkish crop. The 2026 crop is significantly improved, with an estimated 300,000–350,000 metric tonnes of fruit. This is almost equivalent to the combined volume of the 2024 and 2025 crops. With this significant influx of fruit entering the market, we have seen two key developments: increased demand and lower pricing. As shown in the table below, global exports so far are approximately 4,000 MT ahead of last year's volumes, while pricing has reduced by around $1,000 per metric tonne. Since the harvest began, we have continued to see export volumes increase rather than stabilise.

This suggests that the difference compared with last year's export volumes could continue to widen as the season progresses. Vine fruit prices have also fallen significantly compared with last year and have now reached levels not seen since the beginning of 2024. This lower pricing is further encouraging buyers to secure additional volumes. With the current combination of strong crop availability, increasing export volumes and more favourable pricing, the market is currently presenting a good opportunity for buyers looking to secure fruit.

Product / Date Range	Global Exports (MT)	Av. Export Cost ($/MT)	Global Exports (MT)	Av. Export Cost ($/MT)	Global Exports (MT)	Av. Export Cost ($/MT)	Global Exports (MT)	Av. Export Cost ($/MT)
WEEK 38	01/09/2025-19/09/2025		01/09/2026-19/09/2026		13/09/2025-19/09/2025		13/09/2026-19/09/2026	
Raisins/Sultanas	7820	$ 3,640.00	11,736	$ 2,584.00	2260	$ 3,628.00	4678	$ 2,516.00

The impact of this bumper Turkish crop is looking increasingly challenging for other exporting countries. Turkish pricing is now approaching Chinese export pricing, which has historically been largely unobtainable for many buyers. Typically, Chinese fruit is more than $200/MT cheaper than Turkish fruit, but the gap has now narrowed significantly. This price relationship has a direct impact on demand. When Turkish fruit approaches Chinese pricing, demand tends to shift heavily towards Turkey, given the increased availability and competitiveness of Turkish fruit. As a result, we should not necessarily expect Turkish prices to continue falling significantly while the gap between Turkish and Chinese pricing remains narrow. Instead, either Chinese pricing will need to reduce further, or Turkish pricing may adjust accordingly to maintain the balance between the two origins.

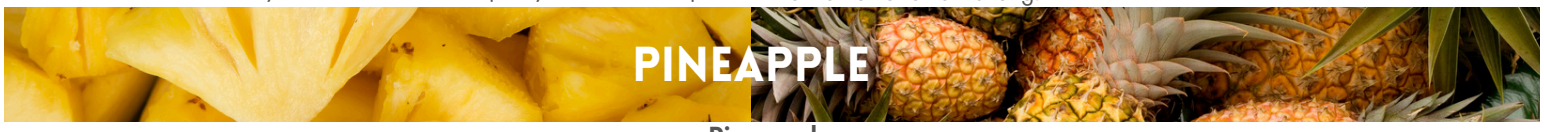
For other major exporting countries, such as Chile and South Africa, this presents a more challenging market environment. Both markets rely heavily on Europe and the UK to support export volumes, and with Turkish fruit currently dominating the market on both availability and price, it is likely to become increasingly difficult for Chilean and South African exporters to secure significant market share.

Pecans

The US pecan market is steady, with availability being closely watched as we move towards the new crop. The US crop can vary YoY depending on weather and growing conditions, with Georgia, New Mexico and Texas being the main producing states. We are keeping a close eye on the 2026 crop as this will give us a much better indication of availability and pricing going into 2027. At the moment, we expect the market to remain stable, but there is still some uncertainty around the size and quality of the new crop.

Cranberries

The cranberry market remains fairly firm, with the 2025 US crop below the previous year and supply remaining closely managed by processors. Wisconsin accounts for over 60% of US production, so the 2026 crop and growing conditions will be important for availability through 2027. Current demand remains steady, which is also helping to support pricing. Overall, we do not expect any significant reduction in pricing in the short term and expect the market to remain strong.



Pineapple

The Indonesian pineapple market is still relatively tight, with raw material availability being closely managed by the processors following lower planting in previous seasons. Although supply has improved compared to the tighter conditions we have seen, pineapple has a long growing cycle, so any reduction in planting or poor weather can take time to recover from. We are also keeping a close eye on the potential impact of El Niño and weather conditions in Indonesia, which could put further pressure on availability and pricing. Overall, we expect the market to remain fairly firm rather than seeing any major reduction in pricing in the near term.

IVORY COAST COCOA CROP FACES GROWING WEATHER CONCERNS

Below-average rainfall across Ivory Coast's main cocoa-growing regions is raising concerns over crop development and bean quality. Farmers have reported increasingly dry conditions, despite the country being in its main rainy season, which typically runs from April to mid-November.

The main concern is the development of small cocoa pods due to be harvested during the September–February main crop. Farmers say a lack of moisture is already causing some pods to fall from the trees, with the situation potentially worsening if dry conditions continue into mid-October.

Several key producing regions, including Soubré, Agboville, Abengourou and Divo, have reported below-average rainfall. At the same time, concerns are emerging over the quality of beans currently being harvested, as overcast conditions are making it more difficult for beans to dry properly.

Some rainfall was reported in Daloa, providing hope that conditions may improve, while farmers in other central regions continue to call for more consistent rain as harvesting activity increases.
If dry conditions persist, the impact could extend to both the quality of the current crop and the development of future supply, adding further uncertainty to the cocoa market.

Source: Reuters

COCOA & CHOCOLATE

Cocoa Terminal Bean Market

During September, we experienced a highly volatile cocoa market, with cocoa bean prices reaching just below £5,000 PMT on the London Terminal during the first few days of the month. This was driven by increased buying activity from short-covering in the market. As the month progressed, raw material prices began to ease, trading between approximately £4,150–£4,400 PMT towards the end of the month. Despite the reduction in raw material prices, cocoa powder prices have remained at elevated levels supported by strong demand. Meanwhile, cocoa butter has continued to absorb much of the reduction in cocoa bean pricing, highlighting the ongoing imbalance between cocoa powder and butter markets.

Cocoa Powder

We urge customers to secure end-of-year cocoa powder cover and into Q1'27. Factories are now effectively sold out for nearby requirements. New volumes are available for collection from mid-February 2027 onwards.

Cocoa Butter

Cocoa butter ratios have continued to decreased in line with the volatile raw material pricing. Availability remains relatively open for nearby and forward deliveries.

Cocoa Liquor

Cocoa liquor pricing has adjusted accordingly in line with recent cocoa bean price fluctuations.

Chocolate

Chocolate pricing has shifted slightly in line with recent corrections in cocoa liquor and cocoa butter prices.

For more information on our range of products, please visit our website and view our online product portfolio

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