



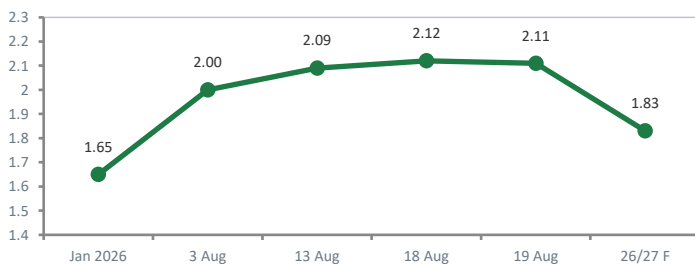
This AgroBrief provides a market overview for the Cotton and Cashew Nut value chains, covering global market conditions, local market trends and outlooks, based on the latest accessible data available up to 21 August 2026. Cotton is at the peak of its buying season, while cashew is eight weeks from the opening of the 2026/27 auctions.

COTTON

Global Market Overview

- The global cotton market has moved into a tight-supply, rising-price phase, the firmest since 2024. The August 2026 World Agricultural Supply and Demand Estimates (WASDE) report cut world ending stocks again while raising mill use for a fourth consecutive season.
- **Price Levels:** The world reference price for cotton lint reached USD 2.11 per kilogram on 19 August. In January it was USD 1.65. That is a rise of about 28 per cent in seven months, and the highest price in more than two years.
- **Production:** World output for 2026/27 is forecast at 117.6 million bales, some 4–5% below 2025/26, while mill use rises to 122.9 million bales a six-year high.
- **Stored Cotton:** The cotton held in stores around the world at the end of this season will be the smallest amount since 2011. When stores are low, buyers have no cushion if a harvest fails anywhere. This is a large part of why prices are rising.
- **Supply Dynamics:** Four things are pushing in the same direction. The crop in the United States is in poorer condition than a month ago. Growing areas in China are hot and dry. Oil is more expensive, which raises the price of polyester, the man-made fibre that competes with cotton. And traders are betting heavily that prices will rise further.
- **Outlook:** United States Department of Agriculture (USDA) expect the price to settle lower across the full season, at about USD 1.83 per kilogram. Much of today's strength looks temporary. Traders are holding large bets on rising prices, and if they decide to sell those bets, the price can fall quickly.

Global Cotton Prices USD per kg of lint)



NB: The world reference price for cotton lint, known as the Cotlook A-Index. Figures to 19 August 2026; the last point is the forecast average for the 2026/27 season. Source: Cotton Outlook, USDA.

Top producers, importers and exporters of Cotton globally

#	Producers	Share	Importers	Million Tonnes	Exporters	Million Tonnes
1	China	27%	Vietnam	8.0	Brazil	15
2	India	21%	Bangladesh	7.6	USA	12.3
3	Brazil	14%	China	7.0	Australia	4.3
4	United States	11%	Pakistan	5.0	India	1.5
5	Pakistan	5%	Turkey	4.8	—	
6	Australia	4%	India	2.5	—	

2026/27 forecast. World trade 43.8 million bales. Source: USDA WASDE Aug 2026, USDA-FAS, ICAC.

Watch list — next 30 days

- **11 Sep** — Next WASDE Report : first survey-based read on the US crop after the August condition decline.
- **Late Sep** — Tanzanian buying season closes. Volume purchased against the 222,057 t crop shows whether TZS 1,240/kg cleared the market.
- **Through Sep** — El Niño strength determines whether the rally holds into Q4.
- **31 Dec 2026** — African Growth and Opportunity Act (AGOA)-The duty free access of African products to the US authorisation lapses; nothing has been agreed to replace it yet

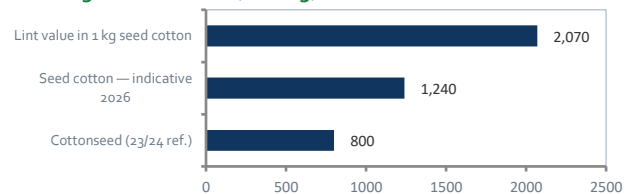
Local Market Overview

- Tanzania's 2026 cotton buying season is at its busiest. Buying runs from the middle of June to the end of September. Harvesting is going on in Simiyu, Shinyanga, Mwanza, Geita and Tabora.
- **Production:** Seed cotton output recovered to 222,057 tonnes in 2025/26, a 48.7% more from the 149,361-tonne record low in 2024/25 season which was driven by drought during the January–February growing window. Tanzania Cotton Board (TCB) targets 300,000 tonnes for 2026/27.
- **Price:** The Government set a guiding price of TZS 1,240 for one kilogramme of seed cotton. It was set in June, before world prices began to rise. When seed cotton is ginned, about 37 kilogrammes of lint come from every 100 kilogrammes. That lint is worth about TZS 2,070 at today's world price, before ginning, transport and borrowing costs
- **Market Behaviour:** Tanzania Cotton Association(TCA) reports many farmers are keeping cotton at home, hoping for a better price, and has asked them to sell now. Both choices cost something. Cotton kept at home takes in damp, attracts insects and is a fire risk. Selling now means missing out if world prices keep climbing.
- **Concentration:** Simiyu alone supplies about 47% of national output. Together with Mwanza, Tabora, Geita and Mara, these five regions (Simiyu included), account for roughly 80%. Cotton is grown across 17 regions by some 500,000 households.
- **Yield Gap:** At about 540 kg/acre, yields are 45% of agronomic potential. TCB is targeting a lift from 200 kg to 1,000 kg per acre.

Strategic Investment Opportunities:

- Liquidity:** Warehouse-receipt and inventory finance lets growers and AMCOS take cash at harvest without selling at the bottom of the curve or holding quality risk at home.
- Ginner Working Capital:** The season is short and cash-intensive; ginner liquidity, not demand, often caps farm-gate price competition.

Local Average Cotton Prices (TZS/Kg)



NB: Lint value is illustrative and gross, before ginning, transport, finance and marketing costs. It is not a farm-gate price.

Cotton production zones and marketing calendar

Growing area	Regions	Harvest	Buying
Western cotton growers Association (WCGA) ~95% of output	Simiyu, Mwanza, Shinyanga, Geita, Mara, Tabora, Kagera, Kigoma, Katavi, Singida	May – Aug	Mid-Jun – late Sep
Eastern Cotton Growers Association (ECGA)	Morogoro, Tanga, Coast, Kilimanjaro, Manyara, Iringa	Jun – Aug	Mid-Jun – late Sep

Top destinations for Cotton exports from Tanzania

#	Destination	Value (USD)	Share	Basis
1	Pakistan	29.63 m	38.7%	COMTRADE 2024
2	Bangladesh	17.89 m	n/a	COMTRADE 2023
3	Vietnam	2.52 m	3.3%	COMTRADE 2024
4	Belgium	109,760	0.1%	COMTRADE 2024

Total cotton exports (HS 52) USD 76.62 m in 2024; USD 23.84 m of the Pakistan total was raw lint. .

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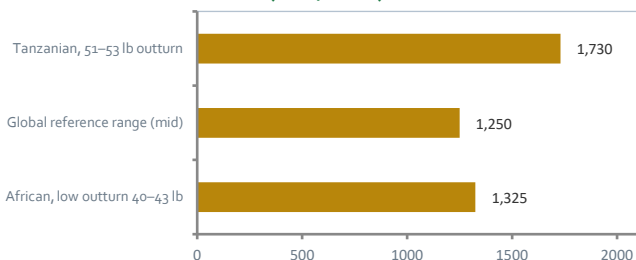


CASHEW NUT

Global Market Overview

- Global raw cashew nut (RCN) supply is at record levels, yet availability to processors is tight, due to West African policy restrictions, weather and widening quality differentials mean headline harvests overstate what actually reaches the market.
- Price Levels:** Raw cashew prices moved from about USD 1,000 to USD 1,500 per tonne. Tanzanian nuts of 23–24 kg Kernel Output Ratio (meaning in a 80kg bag of Raw cashewnut 23-24kg of usable cashew kernels) cleared at USD 1,700–1,760, against USD 1,270–1,380 for low-grade African material.
- The kernel is worth far more:** Once the shell is removed, whole white kernels from Vietnam sell for about EUR 6.30 to 6.50 a kilogramme. Raw nuts sell for under USD 2 a kilogramme. That difference is the money Tanzania gives away by exporting nuts still in their shells.
- Seasonality:** RCN prices peak between July and October. Tanzania’s October–January harvest falls outside the Indian and West African peaks, giving its nuts access to off-season demand and firmer prices.
- Policy:** Burkina Faso now requires domestic supply before export, Benin’s ban has displaced trade to Togo and Ghana, Côte d’Ivoire kernel exports rose 51% year-on-year, and China has imposed a unified sanitary standard on African imports.
- Outlook:** World sales of cashew kernel are worth about USD 7.4 billion this year and should reach about USD 9.0 billion by 2031. Quality decides who benefits. Good, high-outturn lots sell quickly. Poor lots sit unsold or sell at a steep discount.

Global Cashew Prices Raw Nut (USD/tonne)



NB: Midpoints of quoted ranges. Tanzanian nuts trade at a clear premium because more kernel comes from each bag. Source: Commodity Board, Expana, ACA.

Top producers, importers and exporters of Cashew globally

#	Producers	Tonnes	Importers	USD m	Exporters
1	Côte d’Ivoire	1,044,450	Vietnam	2,757	Côte d’Ivoire
2	India	782,000	India	1,357	Tanzania
3	Nigeria	426,000	European Union	1,004	Cambodia
4	Vietnam	347,635	United States	844	India
5	Benin	203,844	Germany	428	Netherlands
6	Tanzania	189,114*	—	—	—

NB; This figure for Tanzania comes from FAOSTAT and is far too low. Our own Cashew Board recorded 528,263 tonnes in 2024/25 and 617,683 tonnes in 2025/26. Using national figures, Tanzania is the second or third largest grower in the world, not the sixth. Growers: FAOSTAT 2023/24. Buyers and sellers: World Bank trade data.

Watch list — next 30 days

- Before Oct** — Cashewnut Board Of Tanzania (CBT) to publish the 2026/27 production target, auction calendar and buyer registration numbers.
- Late Oct** — Auctions open. First clearing prices set the season benchmark for AMCOS financing.
- Sep – Oct** — Sacks and packaging procurement — 8.75 million sacks were needed last season.
- Q4** — Enforcement of China’s unified sanitary standard on African cashew imports.

Local Market Overview

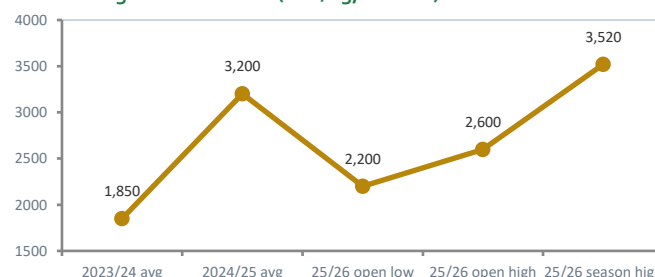
- Tanzania is Africa’s second-largest cashew producer after Côte d’Ivoire and, by value, the world’s second-largest exporter of raw cashew nuts. Cashew is now the leading traditional cash crop.
- Production:** Output reached 617,683 tonnes in 2025/26, up from 528,263 in 2024/25 and 240,159 in 2021/22, more than double in four seasons, though short of the 700,000-tonne target.
- Marketing:** 430,961 tonnes had cleared TMX auctions by late December 2025, earning farmers TZS 1.279 trillion. The 2024/25 season closed at 406,362 tonnes for TZS 1.462 trillion.
- Price:** Opening 2025/26 auctions cleared mostly at TZS 2,200–2,600/kg, with a season high of TZS 3,520/kg for standard grade.
- Value Retention:** Only about 24% of the crop is processed locally, against nearly 80% of Africa’s installed capacity sitting in Côte d’Ivoire, Nigeria and Benin. The Maranje park in Mtwara is designed for 600,000 tonnes a year.
- Calendar:** Harvest begins in October and auctions usually open at the end of that month. The next six to eight weeks are when cooperatives need money — to register, prepare stores, buy sacks and arrange transport.

Strategic Investment Opportunities:

i. **Working Capital Financing:** Pre-season working capital for AMCOS and farmers’ unions in Mtwara, Lindi and Ruvuma, so societies can pay farmers promptly at the first auction.

ii. **Quality Improvement Financing:** Drying, warehousing and logistics finance. Last season’s binding constraint was moisture, sacks and evacuation to port demand is not an issue.

Local Average Cashew Prices (TZS/Kg, raw nut)



NB: Auction-cleared prices under the CBT/TMX warehouse receipt system. Source: CBT, TMX.

Cashew production zones and marketing calendar

Zone	Regions	Harvest	Auctions
Southern ~80% of output	Mtwara, Lindi, Ruvuma	Oct – Jan	Late Oct – Dec
Coast	Pwani (Coast), Dar es Salaam	Oct – Jan	Nov – Dec
Central & Northern	Dodoma, Singida, Tanga, Morogoro	Dec – Feb	From January

NB: More than 700,000 farming households in Tanzania depend on cashew.

Top destinations for Cashew exports from Tanzania (2024)

#	Destination	Value (USD)	Share	Product
1	Vietnam	288.32 m	51.1%	Nuts in shell
2	India	251.85 m	44.6%	Nuts in shell
3	China	3.91 m	0.7%	RCN and kernel
4	United Arab Emirates	2.34 m	0.4%	RCN and kernel
5	Kenya	2.17 m	0.4%	RCN and kernel
6	Bulgaria	224,720	<0.1%	Kernel
—	All others	15.69 m	2.8%	Mixed

NB:Total USD 564.64 m. Vietnam and India take 95.7% of export value — a material concentration risk. Source: UN COMTRADE / WITS, HS 080130.

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