

BRAZIL

Brazilian coffee producers continue to navigate price volatility. Recent market highs and currency depreciation allowed buyers to match price expectations. Coffee flow remains below average as producers focus on harvesting and processing activities. Demand for nearby shipments is firm for Conilon as shipping delays contribute to inventory tightness across various destinations.

ETHIOPIA

Floor prices are lower in response to market dynamics. In addition, as we approach the end of the fiscal year in Ethiopia, the CTA might want to encourage more contracts before the season ends. The shortage of containers has improved the past couple of months and coffee is leaving Addis regularly, but the country is still experiencing vessel rollovers from shipping lines. Ethiopia's coffee exports by volume from July'23 to May'24 are 12% higher compared to the same period last year.

RWANDA

Cherry harvesting is nearing completion across all regions, with approximately 90% of the crop already picked. Some washing stations have begun to close as cherry flow diminishes. Cherry prices remain elevated due to speculative intermediaries and a 2024 crop that is 20% lower than anticipated. A significant increase in parchment coffee arriving to dry mills is expected for the days ahead and initial assessments indicate quality to be in top shape.

INDONESIA

Arabica: Peak flow in West Java for mid to high elevation though rains slowed drying this past week. Sulawesi is also at its peak, although many areas remain difficult to access due to landslides. East Java still early with mixed quality, expecting improvement by month's end.

Robusta: Arrivals have increased to warehouses as trading houses aggressively buy, which is keeping diffs high.

VIETNAM

Farmers are holding very little inventories and releasing reluctantly to the marketplace. Customs data showed the lowest first half month shipments in June since 2012.

YUNNAN

High demand and high local prices, but mostly smaller coffee flow. Growers and local traders expect further rallies and have adjusted price expectations accordingly. At this stage G1 is almost impossible to find with plenty of "G1 Minus" available at high prices. Projected demand for Q3 and Q4 is very high. Luckin Coffee signed "MOU" with ApexBrasil (Brasil Trade Agency) for 120kMT over 2 years. Rains have been more consistent in Yunnan but they were late so we have yet to see the full impact of the drought.

Our estimation is that Pu'er is the hardest hit, and is also the largest growing area. Estimates call for a total output decrease of 10-15%, but still a few months before a definite view is formed.



SUCAFINA SA

1 Place de St-Gervais, CP 5425, 1211 Geneva 11, Switzerland | www.sucafina.com | T. +41 22 839 77 77 | F. +41 22 702 92 26