SUCAFINA

WEEK 24 | ORIGIN REPORT

BRAZIL

The commercialization of the crop continues at a slow pace as producers remain very focused and diligent sellers; the 22/23 Arabica is estimated to be 38.6% sold while Conilon at 18.1%. Rains remain a bit below normal with no significant change in the forecast. The harvest pace is at 67.4% for Conilon and 29.2% for Arabica.

COLOMBIA

No change commercially and the weather continues to be wetter than historical. The FNC reported May exports at 944k bags and production at 1.01M bags. The left candidate, Petro, won the presidential race over the weekend.

PNG

Parchment continues to come in, but cherry buying is lackluster as producers focus more on home processing. Quality is normal and local prices remain mostly flat.

VIETNAM

Dry and hot in the central coffee belt. Reports from crop tours indicate a slightly smaller crop this year in Robusta and Arabica, the latter is off cycle so this is fully expected.

INDONESIA

Arabica cherry price in Java has shot up and are around historical highs last seen several years ago. Robusta has no change.

RWANDA

No changes on the coffee and weather front since last week. Cherry flows continue to decline and multiple washing stations have stopped buying. This week the Commonwealth Heads of Government Meeting (CHOGM) is taking place in Kigali so many VIPs and foreign heads of state are in the country. Road closures have been announced throughout the week, thus temporary logistical challenges are expected.

ETHIOPIA

The minimum prices set by the government increased this week as did shippers' offers making the differentials very firm for commercial grades. Washed coffees are still being offered at large premiums to compensate for the high cherry price. Inflation is around 35% while food is at 43% per annum.

UGANDA

The Robusta season is building up to the peak in Uganda with good arrivals in Kampala. Conditions upcountry are drier which facilitates the drying and the trade. The purchasing differential is volatile due to changes in the London market and the USD:UGX exchange rate. We are expecting 4 more weeks of active buying before the volumes dry up in Kampala. As we approach peak season, we are seeing the quality of the coffee improve.

On the Arabica side there is little cherry activity. There are some bits and pieces of Drugar coming in but we are reaching the tail end of the season. The Bugisu fly crop is starting in the East but there is still very little availability. Those cherry flows are expected to pick up throughout August and September.

TANZANIA

The Robusta season officially opened on June 1st but the flow is slightly delayed due to logistical issues and uncertainty regarding new regulations. There are indications that a new Robusta cherry auction system may be introduced soon.

Arabica volumes for the upcoming harvest are estimated to be 13% lower than the previous crop. This is partially due to crop cycles and partly because of the impact of CBD. Cold weather is also delaying the initial flow of coffee in the Southern areas. The Northern regions are yet to start harvesting.