SUCAFINA SPECIALTY

# WEEK 29 | ORIGIN REPORT

## ETHIOPIA

Thankfully the internet is turned back on in the country for landline connections with mobile internet still off but coffee and other business can now get back on track. In other political news the government began filling the Grand Renaissance Dam on the Nile, causing tensions with Sudan and Egypt.

## KENYA

The first auction after recess was conducted this week and buyers sat in front of their computers that morning with high expectations as it should have been the first online auction done with the Nairobi Coffee Exchange Aucxis system. Unfortunately, after an hour of bidding in which many problems occurred, auction was finally moved back to Google Spreadsheets and we expect the new system to be operational before next auction. Quality was a mix between leftovers from main crop and fresh tasting early crop and the nearly 12,000 bags were all sold, although prices a bit all over the place.

After a lot of uncertainty about the new licensing of the coffee industry in Kenya, Marketing Agents got their licenses extended for another 12 months while authorities grapple with the new rules and regulations for the industry. Weather is cold and gloomy, but dry at the moment. Coffee from the early crop is flowing into the dry mills, especially from Meru, Machakos and some from Western Kenya. Crop surveys have a mix of estimates for the late crop, mainly due to the cold weather affecting the volume should areas be hit with CBD. What is clear at this point is that there will be more or less continuous picking in many areas in Central Kenya with a small break in September/October between crops.

## BRAZIL

Moderate volume for Arabica, especially on Friday with NY rally and a little help of BRL (5.383 vs 5.322) as well; mostly spot businesses. Rio Minas market continues slow as everyone is still waiting for the coffee to arrive. Conilon also traded at good volume especially on Friday. The harvest pace is at 64.9% with Arabica at 51.9% and Conilon at 96.7%

July has registered precipitation between 10 – 25mm below of the normal in the regions like Sao Paulo and Parana but no impact on the harvesting and good quality has been observed. The forecast to next 5 days is dry weather above historical average in major coffee regions with some isolated rains towards Espirito Santo and Bahia on Monday/Tuesday. The latest report of StoneX said: The fertilizer prices were stable in July to Urea & Cloro but grew for DAP and imports could grow 1% up to 36.6m tons this year.

## COLOMBIA

The physical market almost unchanged from last week. The small rally we saw in the end of week only gave the impression to producers / local merchants to save and wait for prices above and 1,100,000 COP per carga. The only offers we receive are above mentioned level and well about current diff replacement. Some devaluation of the COP helped to buy some parchment this week.

## VIETNAM

Dak Nong and Lam Dong receive decent rains but Central and North remain dry and unlucky. It seems most exporters are covered and square on positions so generally quiet week internally.

## RWANDA

Cherry purchase for main crop season 2020 coming to an end as we see the last buying in Nyamasheke District. We continue cupping our top lots and preparing for shipping our micro lots.

## INDONESIA

June Arabica shipments were more or less the same as 2019 June which means the huge drop in May 2020 shipments was demand reduction and unlikely to regain that. The exporters from Sumatra who typically go to Java, Sulawesi and Flores to buy have mostly decided not to do that and will wait for the next Sumatra crop to come instead. The Robusta has started to increase with weekly domestic arrivals to Lampung nearly 50% up from last week; however prices remain very firm.

## PNG

Parchment flow has begun to ease and diffs remain firm as everyone buys up whatever they can. Logistical issues add to the problems as boat space seems to be very limited.

## BURUNDI

The cherry buying is over and now the fun of sending hundreds of samples representing day lots and full containers has begun.

## UGANDA

Scattered showers helping new crop development to start in October Robusta and Late September for Arabica. The flow remains good this week but mainly receiving coffee agreed upon with suppliers at higher prices and very little new local business done.

## SUCAFINA COVID-19 UPDATES

Sucafina has regular updates all centralized on our dedicated website: www.covid19.sucafina.com