SUCAFINA SPECIALTY

WEEK 27 | ORIGIN REPORT

BURUNDI

The harvest will continue on for a few more weeks and the season estimate is 270,000 bags and we expect semi washed to be 25%. Thus far ODECA has not approved any export contracts but we expect this to start happening very soon. In political news the new cabinet was announced and most key positions went to military officials and the Ministry of Good Governance was dissolved and this will be managed by the president himself.

UGANDA

The local market was much more active this week as coffee got released and some better-quality Robusta from the Southwest earned premiums. The Drugar season is finishing up and new crop will start in September.

TANZANIA

The southern producers in Mbinga indicate they are more likely to sell parchment than submit green to the auction, mainly due to liquidity concerns. Northern Arabica crop is ongoing and about a month earlier than normal. Preliminary meetings to be held by the government on strategic planning for the next 5 years of coffee.

ETHIOPIA

Due to the political unrest the government has turned off the internet and the violence has caused everyone to stay at home and road borders closed. Coffee that was already in Djibouti will ship as scheduled but any coffee in Ethiopia will not have delays.

BRAZIL

This week was more active for Arabica, especially the spot market with the help of NY and the BRL but forward and Rio Minas businesses remain slow. Conilons traded at moderate volume this week. June rainfalls finalized slightly above average for Mogiana & Parana as well as Esprit de Santos Arabica and Conilon regions. The other regions rainfall is close to average.

The harvest is not facing any issues, comparing with historical data we see that harvest is moving smoothly with farmers seeing good quality in the crop. Harvest pace up to June 28th is 54.0% with Arabica at 40.1% and Conilon at 87.8%. Preliminary June exports: Arabica at 2,004,881 bags (17.8% smaller than May) Conilon at 641,148 bags (31.4% bigger than May) Soluble at 366,620 bags (16.1% bigger than May) Total at 3,012,649 bags (7.1% smaller than May).

COLOMBIA

The physical flow is starting its down curve before the main crop beginning in zones as south Huila, central (Eje cafetero and Antioquia) and northern coffee regions (Santander, Magdalena). Main crop expected to come mid to end September. Differentials remain unchanged and the exchange rate with horizontal movements around 3700.

FNC CEO Roberto Vélez announced procedures regarding exporting process that allow for a more digital process to streamline logistical paperwork. Tostao, a large café chain, face bankruptcy as a result of reduced business.

VIETNAM

Rains are increasing in most coffee areas but Gia Lai, KonTum and Daklak remain below average. London has helped pushed farmgate prices back up to 32,000 VND but this is still far away from the 35,000 VND needed to release stocks in volume.

RWANDA

Cherry arrivals have ended in most of the regions except for few pockets, where we expect it to trickle until end of July. The parchment arrival into the dry mill from the wet mills continues without any hinderances. The domestic parchment trade on fully washed is starting but as normal prices are unrealistic currently.

INDONESIA

Robusta domestic arrival in June was double May but still 23% below June 2019 and concerns of overall crop remain.

PNG

Demand for specialty and plantation grades continues to pick up and worries about the crop size and availability continue to be driving the price conversations. Local parchment flow continues but prices have crept up a bit.

SUCAFINA COVID-19 UPDATES

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