SUCAFINA

WEEK 48 | ORIGIN REPORT

BRAZIL

Arabica: A very hectic time due to the rally in NY. Producers took advantage of the futures movement to lock new sales at better prices. Differentials dropped and local prices rose, giving an opportunity to growers and exporters to close business to cover short term commitments. Temperatures have been cooler with isolated rains.

Conilon**:** Despite the market rally, the flow of business remained stable with prices rising and diffs holding. All eyes are on the weather forecast for the next few days as temperatures remain hot and the need for widespread rains rises. International demand has slowed, mainly as buyers were expecting a drop in differentials after the rally, but local prices have not adjusted much.

ETHIOPIA

The country continues to prepare for the upcoming European Deforestation Regulation (EUDR) with a few exporters and Unions collecting GPS data of the farmers they work with. Since Unions in Ethiopia primarily focus on exporting certified coffee, they already possess a significant amount of GPS data that will become helpful in meeting EUDR.

KENYA

The 6th Auction of the season took place last week with a record low volume of 4,000 bags sold. Prices remain supressed due to lack of interest from exporters. Overall quality is improving as fresh main crop lots start to flow in. We are now entering the peak of the harvest in central Kenya. We expect parchment deliveries and milling activity to accelerate in the coming days. The country is experiencing heavy rainfalls, particularly in the northeast regions bordering Somalia. 140,000 people have already been displaced and more than 60 have died due to flash floods. No significant impact on the coffee harvest as of now.

RWANDA

Similar to other parts of East Africa, the weather remains very wet for this time of year. In Rwanda, current precipitation levels are still approximately double the long-term mean and flood warnings are in effect in several parts of the country. No major impacts on the 2024 harvest have been reported yet. The annual national fertilizer distribution has kicked off and this year the Rwandan Government will give farmers 70 grams of free NPK fertilizer per coffee tree.

TANZANIA

Arabica volumes have been very low the last two auctions (6k bags), which is strange for this time of the year. We are also starting to see the mbuni/pods (Natural process) making their way through, which usually signals the end of the crop. We are keeping an eye on volume, but we are getting close to the end of this year’s harvest. Delays at the port have extended to 20 days and we are expecting rolled vessels. Container availability will remain tight for the next 3 months.

INDIA

Soluble companies are actively buying for March delivery onwards with the acknowledgement that there is limited supply of low grades. Indian origin coffee demand is firm, but traders are expecting lower differentials due to the sudden jump in NY.

INDONESIA

The local market has been very quiet, and the price of Robusta remains elevated due to limited supply. Very low stocks are being held by farmers and collectors. Local roasters may be looking at Vietnam coffee for replacement. The rainy season is starting with moderate to high intensity.

PNG

The coffee season has come to an end as people prepare for Christmas & New Years. Most dry mills have shut down or running limited crews to get the last of the coffee out, with most planning on letting most of their staff go for Christmas by the end of next week. We may see a small fly crop in early January where we´ll keep a close eye on quality.

VIETNAM

The country has moved into the traditional dry season, with mostly sunny weather and less rain. Estimates are that farmers have picked 30-35% of the crop and the harvest is in full swing. However, it is behind schedule as sun drying took longer, delayed by cloudy weather conditions in most of Daklak and parts of DakNong. Coffee flow has improved significantly but differentials have not changed much. The local market has been very active.

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