SUCAFINA

WEEK 27 | ORIGIN REPORT

PNG

We are now reaching the final months of main harvest buying but we are still seeing a strong flow of parchment and coffee still out in the fields. The General Election polling is now in full swing creating small delays for a day or two in towns and provinces when it is there voting polls selected date.

INDONESIA

Sumatra harvest is finished. Local prices are very firm, and availability is limited. Java, Flores, Bali, Sulawesi, East Timor harvests are >60% finished and weather continues to be challenging.

VIETNAM

The rain starts to improve in the coffee belt, partially brought by tropical circulation of the 1st storm named “Chaba” to the northern region of the central highland last weekend. Recently, most of coffee growing areas received a decent amount of rainfall which supported the second round of fertilization in the region of Gia Lai, Dak Nong and Lam Dong. Farmers and middlemen release nothing while the majority of exporters focus on executing their commitment and not new business.

YUNNAN

Rains and weather continue as seasonally expected in Yunnan and the crop continues to look strong for the 22/23 with harvest commencing early December. Demand remains strong domestically for clean washed coffee and most inventory available suffers from phenolic.

RWANDA

Following the trend from previous weeks, a small amount of cherry continues to trickle into the wet mills that remain operational. Cherry prices have remained stable but high. Overall, this season’s Fully-washed quality is looking significantly better than last year. Offers for semi-washed are coming on to the market.

BURUNDI

The wet season is over and the harvest is expected to come to an end in mid-July. ODECA, the coffee regulator, has requested all wet mills to stay operational to discourage the production of semi-washed. Delays by the local banks in financing exporters has, in turn, led to delays in payments to farmers by those who depend on local financing.

UGANDA

Robusta: The season is at its peak and the flow coming into Kampala is still good. The expectation is that this will last throughout July. The UGX has been stable versus the USD and remains at 3750. Arabica is off-season with no update.

TANZANIA

Arabica: Although a month later than expected, the harvest in Mbeya/Mbozi is picking up. Cherry is still ripening in Mbinga and the North is seeing a little bit of flow. The prices in the field remain high, partly due to crop timing and partly due to the price expectation from last year.

Robusta: London is complicating buying this week due to the nature of the dry cherry auction setup. Most offers are well above reasonable purchase levels and there is a big gap between where the cherry auction prices are set and where the demand is. Nevertheless, volumes are picking up through the auction with the unions participating in the buying, despite the government and regulators initially announcing that the unions would not participate this season.