SUCAFINA

WEEK 2 | ORIGIN REPORT

COLOMBIA

Not very active over the holidays and diffs have remained firm locally as the flow of main crop has started to wane. The COP closed at 3,466 v last week of 3,417. The rainfall for December was more or less average with just 5% below historical.

VIETNAM

The central regions have drizzling weather while Gia Lai and Kon Tum have the favourable dry conditions currently. We estimate 90% of the crop is harvested and daily arrivals to HCMC continuing to build and price expectations on both sides not quite meeting as London moves down. Container space still an issue.

PNG

Coffee parchment flowing again after a few weeks off in time for school fees due end of January in the Highlands and never stopped in Morobe. Demand remains very firm across all grades.

INDONESIA

The longs rains in Ache continue and are stirring concerns about the north Sumatra crop quality which will begin in March. We do see some impact in a few districts but overall the impact should be limited. Robusta low land fly crop has started.

CHINA

Harvest continues but still very limited selling going on from producers. Most are holding out for the dream price and will be needing to sell before Chinese New Year so they can pay their accrued labor and other expenses.

TANZANIA

No auction this week but TCB did announce the next Mbeya/Mbozi auction of only 3,000 bags next week. Demand still very high for FAQ and few and far between domestically.

ETHIOPIA

Flow into Addis has increased and we are optimistic on the quality this year despite moist coffees tasting fresh. The political situation in the north continues to stabilize after the fighting between the government and TPLF with aid and communications starting to open again.

BURUNDI

Just over half of the government’s coffee has been exported thus far with new crop just around the corner. No farmers have received fertilizer thus far and the window of application is coming to an end.

BRAZIL

The first week of 2021 started slow with some spot business for Arabica reported and few for forward crops (mainly 2022/2023). Rio Minas and Conilons market remain very slow, high prices in BRL. In general, all differentials are getting more expensive. The BRL exchange closed at 5.4160 vs 5.1882 last week.

We started the crop tour last Monday, through the ESA and ZM regions, there was a slight variation when compared to the tour in December (+96,000 bags). We will continue to travel through the regions of the SDM, Cerrado and Mogiana, as we have new news we will update. Crowded warehouses, with less entry movement and a lot of exports. Ships full but without major space and container problems.

SUCAFINA COVID-19 UPDATES

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

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