SUCAFINA

WEEK 4 | ORIGIN REPORT

INDONESIA

The Robusta flow has remains unchanged. Arabica nearby shipments remain very attractive but forward shipments from the next crop in a few months are offered at a premium as shippers are worried about the crop potential.

CHINA

Flow has started in earnest ahead of CNY but prices remain firm. Some prominent buyers in Pu'er even increased the price significantly this week to further encourage deliveries.

KENYA

In the auction we saw a good volume and quality on offer and are finally seeing the ease we have been anticipating for FAQ AA grade. Some farmers are seeing nearly 50% AA on their milling statements this year, so the drop in price has been expected. The next auction is also offering a good volume with 24,000. The prices for AB did not ease. Weather is dry and sunny most days, and very few deliveries to the millers have had too high moisture content this year. Millers are reporting of a slight decrease in deliveries and expect to finish main crop milling and selling by the end of February.

RWANDA

The season is under way in some parts of Western province; mainly in the districts of Rutsiro and Rubavu. Volume so far is encouraging - much needed after two low volume crops. Inland operations are not affected by the capital's lockdown and cross-district movement restrictions. Logistics to port continue to work well. The Rwandan government will release an update on the covid-19 measures on Tuesday, 2nd of February.

BURUNDI

Continue preparing for the harvest which we expect to be very low. The country has started new Covid lockdowns and closed road borders except for freight.

ETHIOPIA

The floor prices dropped 15-20 cents this week on washed and a bit on some G3 and G4 as a likely government response to the poor export flow thus far. Coffees traded within the EXC continue to trade for premiums over the export price.

BRAZIL

A quiet week, offer prices for Arabica continue at high levels, producers waiting for the prices to go up therefore not willing to sell much at the moment. Rio Minas market remains slow, lack of demand and no offers for new crop. No change for Conilon, market continues very low and prices in BRL do not change and differentials remain firm. The BRL exchange closed at 5.4735 vs 5.4780 last week.

Dryer conditions were registered during the week in almost all coffee zones but more concentrated towards the north region mainly Bahia & Espirito Santo. The estimates show more rains expectations towards Rondonia & Parana for this week. The field team finished the Conilon crop tour with positive results on crop and pest / disease in the normal range of 1%. Plenty of water in the dams and good vegetative growth.

On wednesday the Brazilian Coffee Industry Association announced the champions of the 17th ABIC Quality Contest - Origins of Brazil, for the 20/21 harvest. The highlight was Matas de Minas and Matas de Rondônia.

COLOMBIA

The COP closed at 3,559 v last week of 3,528. No change in Colombia as prices continue to remain firm internally and roasters continue to pay to cover positions. 90% harvested thus far. The FNC reported 870,000 bags imported in 2020; a 6.7% increase from 2019 and all for the local industry.

VIETNAM

The Robusta harvest is finished, and we estimate farmers have about 35% and are in no rush to sell more at current levels around 32,000 VND. Flow into HCMC has reduced again this week. Arabica continues to be harvested in the highlands, but cherries are ripening very slowly and the washing stations are starting to see more green cherries in deliveries.

PNG

Fly crop in the Western province is in full swing and the Prime Minister visited Jiwaka to launch the new price support scheme. The details are not fully known the government will give cash incentives to a select few exporters to pass along to producers.

SUCAFINA COVID-19 UPDATES

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