SUCAFINA

WEEK 36 | ORIGIN REPORT

KENYA

This past week's small auction of around 10,500 bags of coffee on offer resulted in slightly firmer prices. Quality remains stable with a good volume of main grades. It is very clear the early crop has been smaller than estimated, and is coming to an end. Wet processing in Western Kenya has started and the field team are focusing their efforts there; dry mills are anticipating deliveries in the coming weeks. Some rain around the country combined with low temperatures; most farmers in Central Kenya are still reporting the upcoming crop will have an early onset due to the early flowering and continuous rainy weather.

RWANDA

We've seen more Fully Washed offers over the last week although internal price ideas are still firm. Semi washed Ordinaire is available and prices have eased with NY rally. Strong flowering in western parts, positive signs for the 2021 crop.

BRAZIL

Another very active week for Arabica, prices in BRL and differentials remain attractive for both sides, spot and forward crops. Rio Minas market continues slow due to lack of demand. Conilons traded less this week as sellers kept prices even with BRL recovery 5.3070 vs 5.4158. Due to the big crop warehouses are busy and at average 75% of their storage capacity and facing some delays on unloading. Vessels are full and Asia service very disputed and some shipping lines lack containers.

A record contraction was reported of 9.7% to the second quarter and the accumulated contraction of 1H 2020 was 5.9% vs 2019. This will be the eighth year in a row that public spending will exceed revenues, with the government failing to save for the payment of public debt.

August 2020 preliminary exports Arabica 2,731,732 bags (11.9% higher than July) Conilon 475,781 bags (4.8% higher than July) Soluble 319,748 bags (15.0% lower than July) Total at 3,527,261 bags (7.8% higher than July)

COLOMBIA

The COP had some devaluation; current level above 3710 v 3650. This offset the upward diff pressure due to lack of flow and continued demand. Parchment is very scarce and expected to start its flow by the end of next week with small quantity. The country entered to the "New normality phase" where people can move with certain freedom from town to town. Recovery cases continue increasing but the country is in alert as per current economical overture could generate a second wave of contagion. As per this moment, everything seems OK regarding labor and transport for main harvest.

VIETNAM

The local price is nearing 34,000 VND but still not to the dreaming price of 35,000 and thus not much coffee has moved. Demand was fair with roasters looking for 2021 coverage.

TANZANIA

Deliveries into the dry mills is picking up bit still below average; this is likely a function of middlemen and coop holding out to see if they should sell in auction or via direct window. The auction this week of 14,000 bags all sold at firm diffs.

BURUNDI

Dry milling continues in good order and the government has invited exporters who have not been able to get good prices to sell via the auction; this at the same time we suspect the government has been selling their main grade coffee directly. Burundian refugees are now returning from Rwanda after an agreement between the two countries last week.

ETHIOPIA

A slow week on trade but field activities are picking up as we prepare for the new crop which is expected to in October, a bit earlier than normal.

INDONESIA

Arabica prices firmed up again this week slightly and Robusta eased off slightly. Robusta highland still harvesting.

SUCAFINA COVID-19 UPDATES

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