

Green Coffee Quality Report Review & Expectations

Brazil

According to local wire news, 47% of the crop were already picked/harvested, being 36% of Arabicas and 88% of Conilon. They pointed out that recent rains have jeopardized the picking of the cherries but particularly spoiled the drying process completely. Many cherries were hit on the patios and there were not enough drying machines available to process all the coffee cherries. The result is yet unknown and it is difficult to accurately assess the total quantity of cup quality damaged coffee. The good part of the untimely June rainfalls is that water reserves were filled up well which is very welcome looking forward to growth and flowerings in September/October.

Several frost warnings were given during the month, however local meteorologists did not see any significant risks.

Group 2 Remaining current crop volume is negligible and in strong producer's hands who usually holds it as valuable asset.

Conilon In spite of harvesting is in full speed, the quantity and quality is disappointing. The grade so far of the crop is worse than Type 8.

In its biannual report "Coffee: World Markets and Trade", the Foreign Agricultural Service (FAS) of the United States Department of Agriculture (USDA) forecast world coffee production for 2016/17 to rise 2.4 million bags from the previous year to 155.7 million bags (60 kilograms) as record Arabica output in Brazil more than offsets lower Robusta production in Brazil, Vietnam, and Indonesia. As a result, world Arabica output is expected to rebound to 60% of total production after being below this level the previous 5 years.

Colombia

The fly crop is still flowing but quality and volumes are not encouraging. Small beans and broca continue to cause issues. Weather conditions for the main crop look positive however there is not a lot of activity so far.

Costa Rica

Harvesting is drawing to an end. Steady rainy conditions, typical for the season. Farmers are busy with applying fertilizers as prominent rains fall over the country.

Honduras

Latest rainfalls should be beneficial for the development of the new crop, farmers are eagerly applying fertilizers.

Guatemala

The flow of coffee is basically over. Some early flowering in higher altitude regions (Oriente/Central/West) are expected to set with the continuation of the good weather.

Good rains were reported and producers are busy with planting and husbandry for the next crop. Some roya outbreaks have been reported.

Peru

Scattered rains in the mid altitudes and constant showers in the higher altitudes. Weather pattern perhaps a bit more humid than normal. Harvesting in the lowlands is almost finished.

Strong competition among exporters and middlemen is firming up replacement differentials, cooperatives are aggressively buying parchment at heavily inflated prices.

Growing concern due to rising reports of roya (leaf rust).

Ethiopia

Good volumes of both washed and naturals continue to be traded at the ECX driven by exporters' short covering activities. The rains are back with the onset of the rainy season with good showers nationwide. The southern regions enjoy good weather with good crop development. It is less positive for the eastern crop hindered by low soil moisture despite the recent good rainfall.

Kenya

Weather has turned a bit cooler and drier – both signalling the imminent ending of the rains.

Perfect weather for parchment drying. The early crop looks promising with good bean development thanks to plentiful rains over the last 9 months. Early harvest is coming to an end, main crop will pick up in September. Early new crop samples promising decent quality.

Tanzania

Mixed weather across the country with the rains coming to an end in the southern regions which is benefiting the parchment drying, however, the northern regions are still receiving regular short showers delaying the drying of the early pickings.



Sense of Coffee GmbH

Alte Steinhäuserstrasse 3
CH-6330 Cham

M +41 (0)79 909 76 16

T +41 (0)41 740 66 70

F +41 (0)41 740 66 71

info@senseofcoffee.ch

www.senseofcoffee.ch

Follow us on Twitter

<https://twitter.com/OfGmbH>

Uganda

Arabica Weather in the region of Mount Elgon is good, mostly rainy but at intervals. Volumes are small and the cup quality is getting better. The low volume Drugar fly crop is finished and people are preparing now for the main crop starting in August which seems to be a very healthy one.

Robusta Harvest of the Western crop is picking up supported by dry weather and stabilization of the terminal market. The western Robusta crop has been disappointing, now thought to have reached the peak but availability remains thin. Local middlemen keep buying wet FAQ regardless of the UCDA inspections. The Uganda Coffee Development Authority (UCDA) continues to actively monitor the moisture content and quality traded in the coffee regions.

India

The monsoon is about to start resulting in aggressive offers for nearby shipments. Exporters try to boost volume and reduce their exposure to the upcoming rains which will lead to increased humidity levels. The Indian coffee board reported a lack of blossom flowering in some regions resulting in pressure on the production of next year's crop.

Indonesia

Due to the delay of the harvest May exports were well below the long term average. Arrivals of the unprocessed coffee in Lampung started to increase a tick however it will take at least another month before the highland coffee will come in.

The weather was under the influence of La Nina as this month. Indonesia received heavy rains in Java and Sumatra although the country is in the dry season.

PNG

Farmers are keen sellers of parchment coffee and with the improved coffee flow local prices have decreased marginally. Large volumes of parchment are being delivered to the mills but high moisture and drying bottlenecks continue to hamper processing. All processing facilities operate at maximum volumes. Now the weather in the main coffee producing regions in the highlands remains predominantly dry.

Vietnam

The domestic market is in off season mode. As we are 6–7 months in the season business is becoming quieter. Physical volumes offered slowed down and the remaining coffee is in exporters' and upcountry agents' hands. Warm sunny days and evening rains in Vietnam means the new crop development should be on track.

New crop: Avocado as a shadow tree for coffee is ready to harvest. After having cleaned the trees the next rainfall can straight for the coffee.

Various

Starbucks announced the release of nitro cold brew on tap, which follows the company's summer 2015 release of cold brew served over ice and will help anchor a new "cold bar" concept being unveiled in select Starbucks stores throughout the United States. While the product is likely to represent just a small sliver in Starbucks' global revenue pie, the company's rollout of the beverage at some 500 stores in major U.S. markets by summer's end represents something of a quantum leap for nitro cold brew itself.

Nespresso announced that it will bring back Cuban coffee to the United States for the first time in more than 50 years. Recent regulatory changes in the United States have allowed Nespresso to move forward with its plans, which include making the new Cuban Nespresso Grand Cru, Cafecito de Cuba, available in the United States in the fall of 2016, initially as a limited edition.

UK's leading grocery and general merchandise retailer Tesco has announced plans to sell coffee chain Harris + Hoole to Caffè Nero. The move had been expected to follow as boss Dave Lewis continues to slim down the business in an effort to reverse the dramatic expansion of the retail behemoth under previous management and return to the relative simplicity of being a supermarket business.

Sources: ECOM, Volcafe, Taylor Winch, Atte, Flavour, ICONA,



Sense of Coffee GmbH
Alte Steinhäuserstrasse 3
CH-6330 Cham
M +41 (0)79 909 76 16
T +41 (0)41 740 66 70
F +41 (0)41 740 66 71
info@senseofcoffee.ch
www.senseofcoffee.ch

Follow us on Twitter
<https://twitter.com/OfGmbH>