

**Atté's Weekly**

Hamburg, 14<sup>th</sup> March 2019

We are getting there ...



No herbicides, no pesticides, no chemical fertilizing, CO2 balance fantastic, water pollution no issue. Child labour? No way. But more birds instead.  
Great achievements one might think.

**The physical market** – Mixed buying interest, nearby and spot activities were quite active. Further out positions and into 2020 more difficult – underlying interest is imminent but sellers a bit weary to swallow the differential bids in many cases. Brazil saw fair interest and some selling took place. Vietnam has coffee but farmers prefer to sit on it. Colombia unchanged difficult with biz near standstill. Similar for pricier Centrals. Sporadic business in Honduras main stream lots. African Arabica not getting much interest overall. Unwashed more in focus but sales slow. Spot biz continues at the same pace as last week.

**Latin/South America**

**Colombia** – The FNC, Colombia's coffee policy regulator and exporter introduced a firm 145.00 cts/lb FOB level. A clear signal to coffee buyers whether it will be heard or not. Internally, however, uncertainty prevails as the impact on local purchase prices might effect covering shorts, particularly so as we are in between crops. Commercial offers are earliest for May shipment and start at 27 over.

**Brazil** – Fair underlying overseas interest for all positions. But exporters struggle here and there to meet buying ideas as farmers’ prices often not helping to do the sale. Yet, some nearby biz and occasional new crop sales reported. Feb exports reached 3.4m bags (of which 2.9 Arabica and 0,19m bags Robusta), Weather conditions remain favourable, some stormy conditions forecast. Real at 3,83.

Exports – Jly - Feb	Arabica	Robusta	Roasted / Soluble	Total 60 kg bags
2015/2016	20.534.536	2.055.432	2.413.009	25.002.977
2016/2017	20.499.317	191.481	2.529.120	23.219.918
2017/2018	18.562.337	217.068	2.271.894	21.051.299
2018/2019	22.995.976	2.312.325	2.551.349	27.859.650

**Honduras** – Sporadic business in HG qualities only as buying ideas not easily matched by exporters. Smaller clips of strictlies changed hands, while low grades/stocklots slow.

## Africa

**Kenya** – About 30,000 bags on sale in Auction No 21. The few good main crop lots were in demand and prices very firm. But the majority of offered coffee not much appreciated hence buying ideas low and many lots withdrawn again be producers. Next auction again ard 30,000 bags offered without much fine qualities. March/April usually the main rainy season but so far weather has stayed hot and dry. Reportedly little improvement of the port situation in Mombasa. KES/USD 100,20.

**Tanzania** – After a complicated season coffee authorities are backpaddling and reintroduce collaboration between exporters/millers and the agricultural and marketing coop.societies (AMCOS), which means back to joint work on the supply chains, certifications and direct exports.

**Uganda** – Slightly lower exports in January 19 vs. Jan 18. 395,000 60-kg bags were exported (last Jan 402,000 bags).

**Ethiopia** – Activities during the week have been very mixed. Washed prices at the ECX getting closer to buyer ideas but Natural Arabica Coffees are still unchanged to high, in comparison with 2<sup>nd</sup> hand differentials. Talk of town: we all sadly mourn with the victims and the relatives.

## Asia

**Indonesia** – Indonesia's Lampung trade office has revised up its 2018 data for monthly coffee beans exports from the province. The revised data puts total exports last year to 133,201 tonnes, compared with the previous figure of 96,039 tonnes. The revised figure is still about 56 percent lower than exports in 2017. So far we have no ,official‘ forecast for 2019.

**Vietnam** – Diffs remained tight in Vietnam in a rangebound market and more demand for low grades. Still some talk of drought. However, this week there has seen good rainfall upcountry which could lead to farmer selling in order to purchase fertilizer. Apart from that the flow of coffee remains relatively slow. GD2 continues to be well sought after with shippers still only offering the combo with GD1, large industry demand still appearing for nearby but shippers focus on fulfilling larger scale commitments. Local market is now beginning to price March and April shipments against July. FAQ bid in Dak Lak at 33,300vnd and delivered HCM at 33,700vnd. Exchange rate circa 23,195 to the USD.

**China** – Strong local demand supports export selling differential ideas and reduced offers. Hence any overseas’ buying ideas are hard to be met.

**India** – Slow release by farmers continues for unwashed Robustas amid good demand from all segments. Differentials are firming each day for both washed and unwashed Robustas. Harvesting more or less completed. Good demand for Screen 18+ of Washed Arabica and both Robustas persists from Gulf and Europe. Strengthening Rupee is posing challenge to the exporters and closed @ Rs.69.35/USD.

**PNG** – Exporters having a very mixed view of the market. Some simply do not offer, others do but very careful, so reported business is more than calm for the time of the year.

**Indicative FOB Differentials - no offers.**

Origin	Shipping Month	Exchange	Diff. c/lb
Brazil 2/3, mtgb, ss, fc	April onw.	NYC	-10
Colombia Excelso ep	May onw.	NYC	+27
Guatemala shb, e.p.	April onw.	NYC	+37
Indian Plantation A	April onw.	NYC	+30
Honduras hg, ep	April onw.	NYC	- 1
Kenya AB faq	April onw.	NYC	+130
PNG Y1-Grade	April onw.	NYC	-2
Ethiopia Djimmah Gr. 5	April onw.	NYC	-13
India Robusta Cherry AB	April onw.	LIFFE	+300
Indonesia EK 1, 80 defects	May onw.	LIFFE	+115
Vietnam Gr. 2, 5%	Mar onw .	LIFFE	-35

The information herein was compiled from different sources and is for information purpose only

13. Mrz. 19	Close	weekly change	Open Interest	weekly change	13. Mrz. 19	Close	weekly change	Open Interest	weekly change																								
May 19	97,65	-1,05	156.245	-1.149	May 19	1518	-14	57.536	-1.418																								
Jly 19	100,35	-0,95	60.237	-165	Jly 19	1528	-12	34.110	1.425																								
Sep 19	103,05	-0,95	45.007	4.699	Sep 19	1544	-11	14.166	3.471																								
Dec 19	106,95	-0,85	27.564	2.469	Nov 19	1560	-11	4.851	100																								
<b>Total:</b>			<b>324.466</b>	<b>10.502</b>	<b>Total:</b>			<b>115.853</b>	<b>3.560</b>																								
<table border="1"> <thead> <tr> <th>SWITCHES ICE</th> <th></th> <th></th> <th>SWITCHES LIFFE</th> <th></th> <th></th> </tr> <tr> <td></td> <td>today</td> <td>last week</td> <td></td> <td>today</td> <td>last week</td> </tr> </thead> <tbody> <tr> <td>May/Jly</td> <td>-2,70</td> <td>-2,60</td> <td>May/Jly</td> <td>-10</td> <td>-8</td> </tr> <tr> <td>Jly/Sep</td> <td>-2,70</td> <td>-2,70</td> <td>Jly/Sep</td> <td>-16</td> <td>-15</td> </tr> </tbody> </table>					SWITCHES ICE			SWITCHES LIFFE				today	last week		today	last week	May/Jly	-2,70	-2,60	May/Jly	-10	-8	Jly/Sep	-2,70	-2,70	Jly/Sep	-16	-15					
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<b>Certified stocks in total (bags):</b>				2.495.383	<b>Certified lots:</b>		11.808	<b>12. Mrz</b>																									
<b>GCA Stocks in total (bags):</b>				6.054.938	<b>15. Feb</b>																												
<b>MAY 19 - First Notice Day ICE: APR 22nd, 2019</b>					<b>MAY 19 - First Notice Day LIFFE: APR 25th, 2019</b>																												
<b>Arbitration NY/Ldn</b>	today	last week				<b>Gold</b>	<b>CRB</b>	<b>WTI Crude Oil</b>																									
May/May	-28,79	-29,21				1,303	183,41	58,26																									
Jly/Jly	-31,04	-31,45				<b>€ : US\$</b>	1,1329																										
						<b>US\$:Real</b>	3,8332																										