

Experts attribute the rise in prices to cumulative exports in the current coffee year, Dorothy Nakaweesi writes.

Coffee prices hit four-month high

Global coffee prices have climbed to a four-month high rallying at above 135 cents of a dollar it last traded in June.

This is good news for producing countries including Uganda whose production has increased to take advantage of the price shift.

According to the International Coffee Organisation (ICO), in the month ending August, prices edged upwards compared to July when the commodity's price was quoted at 131.52 cents of a dollar.

The ICO report showed: "During the first 10 months of the coffee year 2016/17, total exports hit the 100 million bag mark and were 5.7 million bags higher than last year when 96.3 million bags were shipped."

Experts attribute the rise in prices to cumulative exports in the current coffee year which has remained at very high levels, bringing about higher inventories in importing countries.

Exports

The ICO report, however, shows a varied picture in a detailed examination of the export data for major producing countries.

In Brazil, exports in July were 11 per cent lower compared to last year. In total, Brazil exported 1.75 million bags, of which 1.5 million bags were green coffee. Arabica coffee comprised 98.9 per cent of all green coffee shipments.

"This is the lowest level of exports recorded since February 2004 and results from a combination of the previously poor harvest and an unfavourable dollar exchange rate eroding the competitiveness of Brazilian coffee on the world market," ICO report showed.

While in Vietnam, the second largest producer, shipments in July were estimated to have reached 1.55 million bags, indicating a 29.6 per cent lower than the previous year.

However, looking at the cumulative exports for the first 10 months of coffee year 2016/17, there were only 5.4 per cent lower compared to last year.

In Colombia, on the other hand, significant increases



Mr Job Chemutai, a Coffee farmer with a co-worker stand in a trial garden for the new Robusta Coffee at Kituza in Mukono. PHOTO BY DAVID MAFABI

Uganda's status

When global coffee prices go up, farmers in producing countries such as Uganda will be assured of money in their pockets and export earnings will increase.

Uganda Coffee Development Authority's director quality and regulatory services, Mr Edmund Kananura Kyerere, said earlier the country's production increased to 4.2 million (60kg) bags up from 3.5 million bags.

"We expect more crop-harvest to come on board as new gardens come up countrywide according to information from UCDA," Mr Kyerere said.

The country earned \$490 million (Shs1.7 trillion) from the 4.2 million- 60 kg bags of coffee exported in the last financial year 2016/17.

The previous financial year 2015/16 the country earned \$352 million (Shs1.2 trillion) from 3.6 million 60kg bags exported.

in exports were recorded. Volumes shipped during July have doubled compared to last year.

AVERAGE COM PRICES ACROSS COUNTRY

WEEKLY MARKET REPORT, SEPTEMBER

Item (kg/ltr)	Central	E
Agwede Beans	3,000	
Apple Bananas	2,100	
Beef	9,400	
Cassava Flour	1,900	
Cassava Fresh	1,200	
Cavendish (Bogoya)	4,100	
Coffee (Arabica)	2,500	
Cow Peas	4,900	
Exotic Chicken	11,900	
Exotic Eggs	9,750	
Goat Meat	12,000	
Groundnuts	5,200	
Irish Potatoes	1,250	
Kayiso Rice	3,200	
Local Chicken	25,350	
Local Eggs	22,000	
Maize Flour	2,400	
Maize Grain	1,150	
Matooke (bunch)	23,600	
Milk	1,650	
Millet Flour	3,500	
Millet Grain	2,400	
Nambale Beans	2,700	
Nile Perch	13,700	
Orange S. Potatoes	1,700	
Pineapple	1,000	
Pork	12,000	
Processed Honey	10,000	
Red Irish Potatoes		
Simsim		
Sorghum Flour		
Sorghum Grain		
Soya Beans		
Sun Dried Cassava		
Sunflower		
Super Rice		
Tilapia		
Turkey		
Unprocessed Honey		
Upland Rice		
White S. Potatoes		
Yellow Beans		

8:00 PM




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MONDAY - FRIDAY

8:00PM - 12:00AM



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MONEY UGANDA
EARNED FROM THE 4.2
MILLION 60-KG BAGS
OF COFFEE EXPORTED
IN 2016/17



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