

UCDA

MONTHLY REPORT-JANUARY 2021

Key Highlights



A total of 446,560 kilo bags of coffee valued at US\$ 39.73 million were exported in January 2021 at an average weighted price of US\$ 1.48 /kilo, 1 cent lower than US\$ 1.49 /kilo in December 2020. This was a decrease of 4.92% and 17.19% in quantity and value respectively compared to the same period last year.



Farm-gate prices for Robusta Kiboko averaged UGX 1,900 per kilo; FAQ UGX 4,000 per kilo, Arabica parchment UGX 5,300 per kilo and Drugar UGX 5,150 per kilo.



Coffee exports 12 months (February 2020 to January 2021) totalled to 5.47 million bags worth US 507.67 million compared to 4.99 million bags worth US\$ 484.52 million the previous year. This represents 10% and 5% increase in quantity and value respectively.



72.21% of the total volume was exported by 10 exporters, out of 37 companies which performed during the month compared to 74.35% in December 2020, reflecting reduced concentration.

Sustainable Arabica Sipi Falls fetched the highest price at US \$ 3.77 per kilo.



The ICO Composite Indicator price increased by 0.9% to 115.73 US cents/lb in January 2021 from US cents/lb 114.74 in December 2020.

1. Coffee exports

Coffee exports in January 2021 amounted to 446,560 60-kilo bags worth US\$ 39.73 million as shown in Fig 1. This comprised 398,160 bags of Robusta valued at US \$ 32.71 million and 48,400 bags of Arabica valued at US\$ 7.02 million (see Table 1 and Annex 1). This was a decrease of 4.92% and 17.19% in quantity and value respectively compared to the same month last year.

By comparing quantity of coffee exported by type in the same month of last Coffee Year (January 2020), Robusta increased by 5.65% in quantity and decreased by 4.60% in value. Arabica exports decreased in both quantity and value by 47.84% and 48.72% respectively.

The reduction in monthly exports compared to the previous year has been attributed mostly to the off-year biennial cycle characteristic of Arabica production. Increasing Robusta exports during the month was on account of fruition of the newly planted coffee as well as favourable weather while a decrease in value of both types is attributed to the prevailing low global coffee prices as the Covid 19 restrictions in major consuming countries continue to be in place, limiting consumption.

Coffee exports for the 12 months (February 2020-January 2021) amounted to 5,469,060 60-kilo bags worth US\$ 507.67 million compared to 4,989,226-kilo bags valued at US\$ 484.52 million the previous year. This represents 9.62% and 4.78% increase in both quantity and value respectively (Figure 1)

Fig 1: Trend of Total Quantity and Value of Coffee Exported: February 2020- January 2021



Table1: Comparison of Coffee Exports of January 2019/20 and 2020/21 Coffee Years

Period/Coffee Type	2019/20		2020/21		%age Change	
	Qty(60-kgbag)	Value (US \$)	Qty(60-kgbag)	Value (US \$)	Qty(60-kgbag)	Value (US \$)
January Total	469,663	47,974,121	446,560	39,729,296	↓ -4.92	↓ -17.19
Robusta	376,874	34,286,315	398,160	32,710,315	↑ 5.65	↓ -4.60
Arabica	92,789	13,687,806	48,400	7,018,981	↓ -47.84	↓ -48.72

2. Exports by Type and Grade

Table 2 shows coffee exports by type, grade and average realized price for each grade during the month of January 2021. The average export price was US\$ 1.48 per kilo, 1 cent lower than US\$ 1.49 per kilo realized in December 2020. Robusta exports accounted for 89.16% of total exports higher than 88.72% in December 2020. The average Robusta price was US\$ 1.37 per kilo, the same as the previous month. Washed Robusta fetched the highest price of US\$ 1.83 per kilo, a premium of 31 over Screen 18, and it was followed by Screen 14 sold at an average price of US\$ 1.68 per kilo.

Arabica fetched an average price of US\$ 2.42 per kilo, the same as in December 2020. The highest price was for Sustainable Arabica Fully Washed Sipi Falls sold at US\$ 3.77 per kilo., followed by Organic Okoro sold at US\$ 2.84 per kilo. Drugar exports had a 24% share of Arabica exports compared to 19% the previous month and was sold at US\$ 1.90 per kilo., a discount of 74 cents from Bugisu AA.

Table 2: Coffee Exports by Type, Grade & Unit Price in January 2021

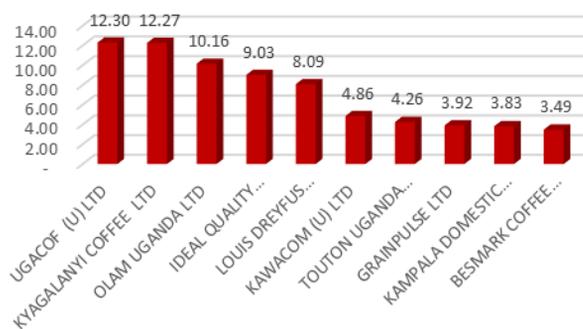
Coffee type	Quantity 60-Kilo Bags	%-age Quantity	Value in US \$	%-age Value	Unit Price US\$/Kilo
TOTAL	446,560		39,729,296		1.48
Organic Robusta	640	0.16	63,433	0.19	1.65
Washed Robusta	1,920	0.48	211,362	0.65	1.83
Screen 19	350	0.09	29,084	0.09	1.38
Screen 18	48,471	12.17	4,421,300	13.52	1.52
Screen 17	22,953	5.76	2,059,525	6.30	1.50
Screen 15	202,994	50.98	16,920,795	51.73	1.39
Screen 14	2,120	0.53	213,792	0.65	1.68
Screen 12	67,888	17.05	5,328,065	16.29	1.31
Bhp 1199	31,370	7.88	2,080,254	6.36	1.11
Other Robustas	19,454	4.89	1,382,703	4.23	1.18
Total Robusta	398,160	100.00	32,710,315	100.00	1.37
Organic Bugisu	700	1.45	115,603	1.65	2.75
Organic Okoro	660	1.36	112,532	1.60	2.84
Sustainable Arabica FW Sipi Falls	2,284	4.72	516,364	7.36	3.77
Mt Elgon A+	8,820	18.22	1,487,839	21.20	2.81
Bugisu A+	3,200	6.61	452,186	6.44	2.36
Bugisu AA	3,358	6.94	531,303	7.57	2.64
Bugisu A	320	0.66	49,736	0.71	2.59
Bugisu PB	34	0.07	5,509	0.08	2.70
Bugisu AB	7,316	15.12	1,159,357	16.52	2.64
Wugar	5,005	10.34	730,891	10.41	2.43
Drugar	11,449	23.65	1,304,577	18.59	1.90
Other Arabicas	5,254	10.86	553,084	7.88	1.75
Total Arabica	48,400	100.00	7,018,981	100.00	2.42

3. Individual Exporter Performance

Figure 2 shows the top 10 export companies in the month of January 2021. Ugacof (U) Ltd had the highest market share with 12.30% compared to 18.90% in December 2020. It was followed by Kyagalanyi Coffee Ltd 12.27% (9.84%); Olam Uganda Ltd 10.16% (5.8%); Ideal Quality Commodities Ltd 9.03% (8.54%) Louis Dreyfus Company (U) Ltd 8.09% (9.78%) Kawacom (U) Ltd 4.86% (5.05%) Touton Uganda Limited 4.26% (4.05%); and Grainpils Ltd 2.92% (4.36%). **The figures in brackets represent percentage market share held in December 2020*

The top 10 exporters held a market share of 72% compared to 74% the previous month. There were changes in positions compared to last month reflecting competition at the exporter level. Out of the 37 exporters that performed, 15 exported Robusta Coffee only while 4 exported Arabica coffee only. Annex 2 shows a detailed list of exporters performance in January 2021.

Figure 2: Top 10 Exporting Companies by percentage market share



4. Foreign buyers of Uganda Coffee

Annex 4 shows a list of Ugandan coffee foreign buyers in January 2021. The top 10 buyers held a market share of 61.84% of total exports, slightly higher than 59.06% the previous month. Olam International led with a market share of 11.82% compared to 8.30% in December 2020. It was followed by Sucafina 11.70% (18.97%); Volcafe 9.24% (4.69%); Altasheel Import & Export Enterprises 6.19% (6.78%); Ecom Agro Industrialist 4.41% (4.98%); Hamburg Coffee 4.28% (1.32%); Bernhard Rothfos 4.03% (3.87%); Aldwami Company 3.84% (2.79%) Icona Cafe 3.20% (3.87%) and Luigi Lavazza 3.12% (2.12%) *Note: The figures in brackets represent percentage performance in the previous month December 2020.*

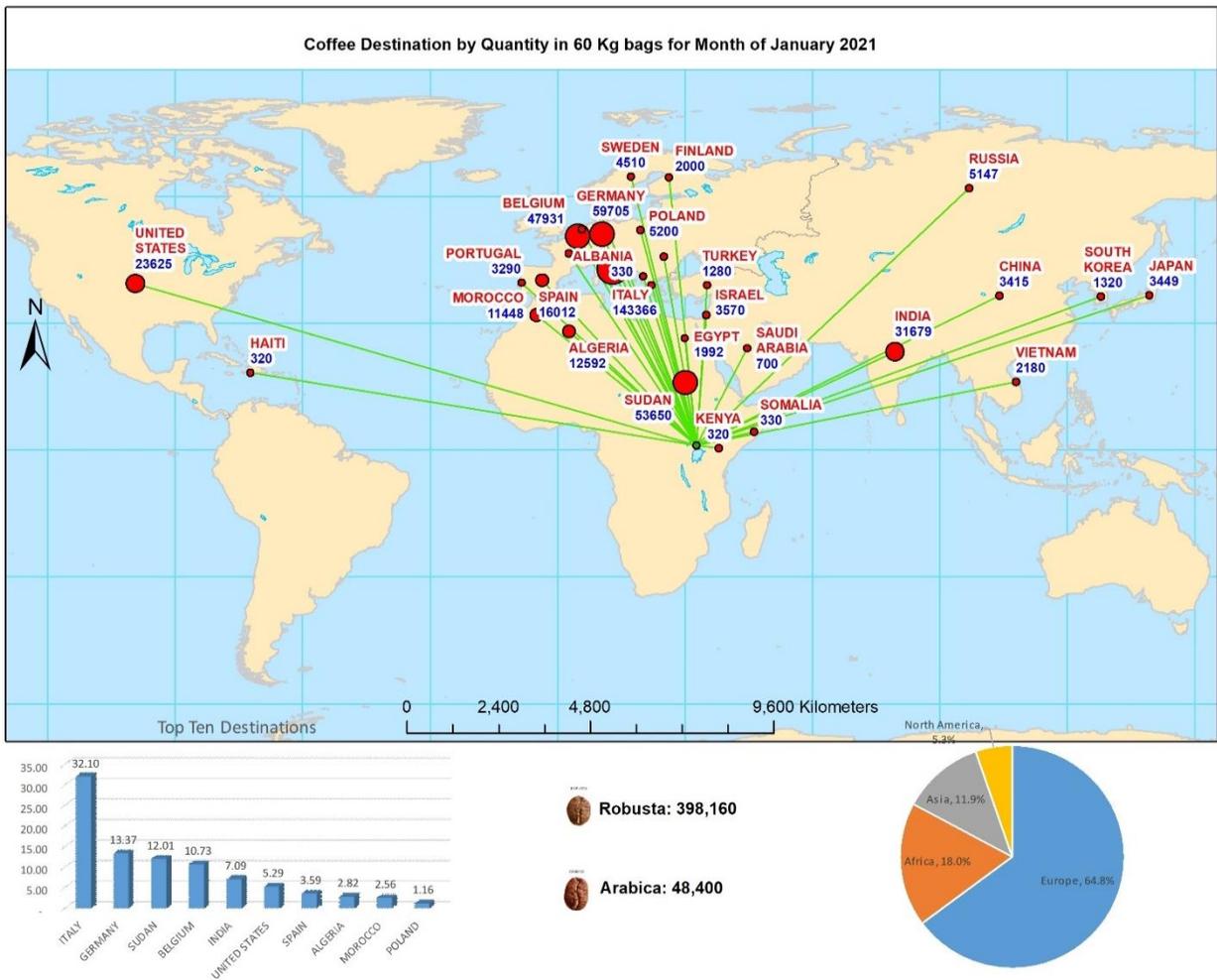
Minimal changes in relative position compared to the previous month reflect market consolidation of major buyers of Uganda coffee.

5. Coffee Exports By Destination

The destinations of Uganda’s coffee exports during the month of January 2021 are shown in Fig 3 (details in Annex 3). Italy maintained the highest market share with 32.10% compared with 24.07% last month. It was followed by Germany 13.37% (17.68%), Sudan 12.01% (13.05%) Belgium 10.73% (10.34%) and India 7.09% (6.96%). **The figures in brackets represent percentage market share held in December 2020.*

Coffee exports to Africa amounted to 80,332 bags, a market share of 17.99% compared to 84,098 bags (19.88%) the previous month. African countries included Sudan, Morocco, Kenya, Algeria, Egypt and Somalia. Europe remained the main destination for Uganda’s coffees with a 65% imports share.

Fig 3 Map showing Uganda’s coffee destinations for January 2021.



6. Global Situation

World coffee exports amounted to 10.97 million bags in December 2020 compared with 10.81 million in December 2019. Exports for the first 3 months of coffee year 2020/21 (October-December 2020) increased by 6.1% to 31.59 million bags from 29.79 million bags the previous period (October-December 2019). The ICO Composite Indicator price increased by 0.9% to 115.74 US cents/lb in January 2021 from US cents/lb 114.74 in December 2020. The prices in January had support from weather concerns over Brazil's next off year Arabica crop. Preliminary estimate for global coffee production for 2020/21 is 171.90 million bags while the consumption is 166.63 million bags as social distancing measures remain in place, limiting out-of-home consumption and the slow recovery of the global economy.

7. Local Situation

During the month of January 2021, farm gate prices ranged from Sh.1,700-2,100/= per kilo of Kiboko (Robusta dry cherries); Shs. 3,800-4,200/= for FAQ; Sh. 5,000-5,600/= for Arabica parchment; and Sh. 5,000-5,300/= per kilo for Drugar from Kasese. Robusta Kiboko averaged UGX 1,900/= per kilo; FAQ UGX 4,000/= per kilo, Arabica parchment UGX 5,300/= per kilo and Drugar UGX 5,150/= per kilo.

8. Coffee Development and Promotional Activities

During the month of January 2021, Eastern, Rwenzori, South Western, Western and Central regions received intermittent rains which continuously supported the establishment of the coffee seedlings that were planted during the September – November 2020 season. Mid Northern and West Nile regions were generally dry during the month. Rehabilitation and renovation of coffee continued with a total of 63,370 old trees representing 130 acres stumped during the month by 219 individual farmers (170 Male & 49 Female). Kyagalanyi Coffee Ltd has established 25 coffee youth teams responsible for stumping, pruning and fertilizer application in Elgon region where they charge UGX 200-300/= per tree. Ten (10) farmer trainings attended by 197 farmers (150 Male & 47 Females) were conducted during the month in the districts of Bushenyi, Rubirizi, Mitooma, Rubanda, Mbarara, Isingiro and Sheema. Farm visits were also conducted to 269 farmers (219 male & 50 females) in Buhweju, Ibanda, Kabale, Kiruhura, Kisoro, Bushenyi, Sheema, Kanungu, Mbarara, Ntungamo, Rukiga and Kabale. Fifty-two coffee stores and 16 primary factories were registered during the month. In order to foster coffee quality, factory inspections and surveillance continued across regions. The prevalence of Coffee leaf rust and Stem borers was widespread across the Arabica growing regions while the incidence of the Black Twig Borer was very high in Robusta growing areas.

9. Outlook for February 2021

Coffee exports are projected to be 450,000 bags as the main harvesting period in Central and Eastern regions begins to tail off. This would be compounded by drier weather which will facilitate drying and movement of coffee from the countryside.

Annex 1: Comparative Coffee Export Performance – 60-kilo bags; US\$

Coffee Year	2019/20		2020/21		%age Change	
Coffee Year	Quantity	Value \$	Quantity	Value \$	Quantity	Value \$
Grand Total	1,618,347	159,054,586	1,727,437	154,393,479	6.74	-2.93
Total Robusta	1,297,273	117,816,840	1,516,476	125,024,968	16.90	6.12
Total Arabica	321,074	41,337,745	210,961	29,353,920	-34.30	-28.99
January	469,663	47,974,121	446,560	39,729,296	-4.92	-17.19
Robusta	376,874	34,286,315	398,160	32,710,315	5.65	-4.60
Arabica	92,789	13,687,806	48,400	7,018,981	-47.84	-48.72
December	330,248	31,868,091	422,560	37,763,081	27.95	18.50
Robusta	280,603	24,990,250	374,847	30,830,429	33.59	23.37
Arabica	49,645	6,977,841	47,713	6,918,061	-3.89	-0.86
November	439,505	42,266,045	430,324	38,286,600	-2.09	-9.42
Robusta	336,366	30,420,946	372,211	30,548,107	10.66	0.42
Arabica	103,139	11,845,098	58,113	7,738,494	-43.66	-34.67
October	378,931	36,946,329	427,993	38,614,502	12.95	4.52
Robusta	303,430	28,119,329	371,258	30,936,117	22.35	10.02
Arabica	75,501	8,827,000	56,735	7,678,384	-24.86	-13.01

Annex 2: List of Coffee Exporters and their Market Share: January 2020

EXPORTING COMPANY	POSITION HELD IN DECEMBER	QUANTITY (Bags)			PERCENTAGE MARKET SHARE	
		Robusta	Arabica	Total	Individual	Cumulative
Total		398,160	48,400	446,560	100.00	
1 Ugacof (U) Ltd	1	53,971	960	54,931	12.30	12.30
2 Kyagalanyi Coffee Ltd	2	35,653	19,121	54,774	12.27	24.57
3 Olam Uganda Ltd	5	41,748	3,626	45,374	10.16	34.73
4 Ideal Quality Commodities Ltd	4	38,396	1,914	40,310	9.03	43.75
5 Louis Dreyfus Company (U) Ltd	3	35,140	987	36,127	8.09	51.84
6 Kawacom (U) Ltd	6	14,309	7,408	21,717	4.86	56.71
7 Touton Uganda Limited	9	18,303	700	19,003	4.26	60.96
8 Grainpulse Ltd	8	17,456	60	17,516	3.92	64.89
9 Kampala Domestic Store Ltd	11	17,114		17,114	3.83	68.72
10 Besmark Coffee Company Limited	14	11,595	3,988	15,583	3.49	72.21
11 Export Trading Company (U) Ltd	7	13,900		13,900	3.11	75.32
12 Ibero (U) Ltd	10	13,054	320	13,374	2.99	78.31
13 Coffee World Ltd	15	10,456	809	11,265	2.52	80.84
14 Bakhsons Trading Co. (U) Ltd	12	10,176		10,176	2.28	83.12
15 Sena Indo Uganda Limited	16	9,428		9,428	2.11	85.23
16 The Edge Trading (U) Ltd	23	8,570		8,570	1.92	87.15
17 Tata Uganda Limited	13	8,520		8,520	1.91	89.05
18 Great Lakes Coffee Company Ltd	19	4,520	2,940	7,460	1.67	90.73
19 Zigoti Coffee Works Ltd	20	6,684		6,684	1.50	92.22
20 Ankole Coffee Producers Coop Union Ltd	22	6,216		6,216	1.39	93.61
21 Commodity Solutions (U) Ltd	21	5,316	660	5,976	1.34	94.95
22 Discovery Trading Limited	24	4,250		4,250	0.95	95.90
23 Mbale Importers & Exporters Ltd	18	2,100	2,080	4,180	0.94	96.84
24 Ishaka Quality Commodities Ltd	17	4,068		4,068	0.91	97.75
25 Darley Investments Ltd	26	1,600	320	1,920	0.43	98.18
26 Kaweri Coffee Plantation	37	1,600		1,600	0.36	98.54
27 Tariq General Suppliers Ltd	27	1,050	450	1,500	0.34	98.87

Annex 2: List of Coffee Exporters and their Market Share: January 2021

EXPORTING COMPANY	POSITION HELD IN DECEMBER	QUANTITY (Bags)			Percentage Market Share	
		Robusta	Arabica	Total	Individual	Cumulative
28 Jber Coffee Ltd		1,050		1,050	0.24	99.11
29 Gisha Coffee Ltd	31	320	334	654	0.15	99.26
30 Bakwanye Trading Co. Ltd	33		640	640	0.14	99.40
31 Kibinge Coffee Farmers' Coop Soc Ltd	28	640		640	0.14	99.54
32 Nakana Coffee Factory Ltd	25	360		360	0.08	99.62
33 Seth & Cushman Market Traders			360	360	0.08	99.70
34 African Prime Fresh Produce Limited		267	83	350	0.08	99.78
35 Uganda Tea Corporation Ltd		330		330	0.07	99.86
36 Bufumbo Organic Farmers Association	30		320	320	0.07	99.93
37 Mt Elgon Agroforestry Communities			320	320	0.07	100.00

Annex 3: Main Destinations of Uganda Coffee by Type in January 2021							
Destination		Position Held in December	Quantity (60kg bags)			%Age Market Share	
			Robusta	Arabica	Total	Individual	Cumulative
Total			398,160	48,400	446,560	100.00	
1	Italy	1	138,806	4,560	143,366	32.10	32.10
2	Germany	2	52,705	7,000	59,705	13.37	45.47
3	Sudan	3	53,200	450	53,650	12.01	57.49
4	Belgium	4	41,468	6,463	47,931	10.73	68.22
5	India	5	31,679		31,679	7.09	75.32
6	United States	7	11,928	11,697	23,625	5.29	80.61
7	Spain	6	15,692	320	16,012	3.59	84.19
8	Algeria	10	12,592		12,592	2.82	87.01
9	Morocco	8	11,448		11,448	2.56	89.58
10	Poland	23	2,320	2,880	5,200	1.16	90.74
11	Russia	13	5,147		5,147	1.15	91.89
12	Sweden	16	360	4,150	4,510	1.01	92.90
13	Israel	9	3,280	290	3,570	0.80	93.70
14	Japan	35	729	2,720	3,449	0.77	94.47
15	China	11	1,920	1,495	3,415	0.76	95.24
16	Portugal	14	3,290		3,290	0.74	95.98
17	Vietnam	37	2,180		2,180	0.49	96.46
18	Croatia	21	2,160		2,160	0.48	96.95
19	Finland	24	320	1,680	2,000	0.45	97.40
20	Egypt	17	1,575	417	1,992	0.45	97.84
21	Denmark		1,400		1,400	0.31	98.16
22	Switzerland		1,321		1,321	0.30	98.45
23	South Korea	30		1,320	1,320	0.30	98.75
24	Turkey	33	1,280		1,280	0.29	99.03
25	Netherlands			1,010	1,010	0.23	99.26
26	Saudi Arabia		700		700	0.16	99.42
27	Romania	15		668	668	0.15	99.57

Annex 3: Main Destinations of Uganda Coffee by Type in January 2021

Destination	Position Held In DECEMBER	QUANTITY (60kg Bags)			%Age Market Share	
		Robusta	Arabica	Total	Individual	Cumulative
28 Albania		330		330	0.07	99.64
29 Somalia		330		330	0.07	99.71
30 France	32		320	320	0.07	99.79
31 Greece			320	320	0.07	99.86
32 Haiti			320	320	0.07	99.93
33 Kenya	25		320	320	0.07	100.00

Annex 4: List of Foreign Coffee Buyers during the Month of January 2021

BUYERS	POSITION HELD IN DECEMBER	QUANTITY (60kg BAGS)			%AGE MARKET SHARE	
		Robusta	Arabica	Total	Individual	Cumulative
Total		398,160	48,400	446,560	100.00	
1 Olam International	2	45,968	6,826	52,794	11.82	11.82
2 Sucafina	1	51,293	960	52,253	11.70	23.52
3 Volcafe	5	29,146	12,135	41,281	9.24	32.77
4 Altasheel Import & Export	3	27,650		27,650	6.19	38.96
5 Ecom Agro Industrialist	4	12,937	6,740	19,677	4.41	43.37
6 Hamburg Coffee	15	17,200	1,914	19,114	4.28	47.65
7 Bernhard Rothfos	6	16,304	1,680	17,984	4.03	51.67
8 Aldwami Co	8	17,150		17,150	3.84	55.51
9 Icona Café	7	13,982	320	14,302	3.20	58.72
10 Luigi Lavazza	12	13,940		13,940	3.12	61.84
11 Strauss Commodities	10	8,695	3,548	12,243	2.74	64.58
12 Schwarze & Consort GmbH	20	12,000		12,000	2.69	67.27
13 Vollers		11,480		11,480	2.57	69.84
14 Tata Coffee Ltd	16	9,945		9,945	2.23	72.06
15 Sarl Sodplus		7,680		7,680	1.72	73.78
16 Pacorini Silocaf	23	7,520		7,520	1.68	75.47
17 Bercher Coffee Consulting	17	5,105	1,920	7,025	1.57	77.04
18 Jacobs Douwe Egberts	18	6,480		6,480	1.45	78.49
19 American Coffee		5,400		5,400	1.21	79.70
20 Ned Coffee B.V	22	5,296		5,296	1.19	80.89
21 N V Group Sopex	25	4,776		4,776	1.07	81.96
22 CCL Products	12	3,985		3,985	0.89	82.85
23 Louis Dreyfus		3,500		3,500	0.78	83.63
24 J. Wolff			3,166	3,166	0.71	84.34
25 Elmathahib	9	3,150		3,150	0.71	85.05
26 Indus Coffee		3,000		3,000	0.67	85.72
27 Nkg Bero Italia		2,984		2,984	0.67	86.39
28 Dek Berlin		2,880		2,880	0.64	87.03
29 Ngon Coffee		2,610		2,610	0.58	87.62
30 Others		46,104	9,191	55,295	12.38	100.00

A sustainable coffee industry with high stakeholder value for social economic transformation