UCDA MONTHLY REPORT FOR OCTOBER 2011

***Highlights**: -*

- *This is the first monthly report for the coffee year (Oct/Sept. 2011/12 215,285 60-kilo bags of coffee worth US $30.5 m were exported in October 2011 at an average price of 236 US cents/kilo, 29 US cents above October 2010*
- *Farm-gate prices for Robusta Kiboko averaged Shs. 2,500 per kilo; FAQ was at Shs. 4,300 and Arabica parchment at Shs. 9,000 per kilo.*
- *Coffee exports in 12 months (November 01, 2010 to October 31, 2011)) totalled 3.17 m bags worth ($456 m) comprising Robusta – 2.5 m bags) and arabica – 0.64 m bags.*

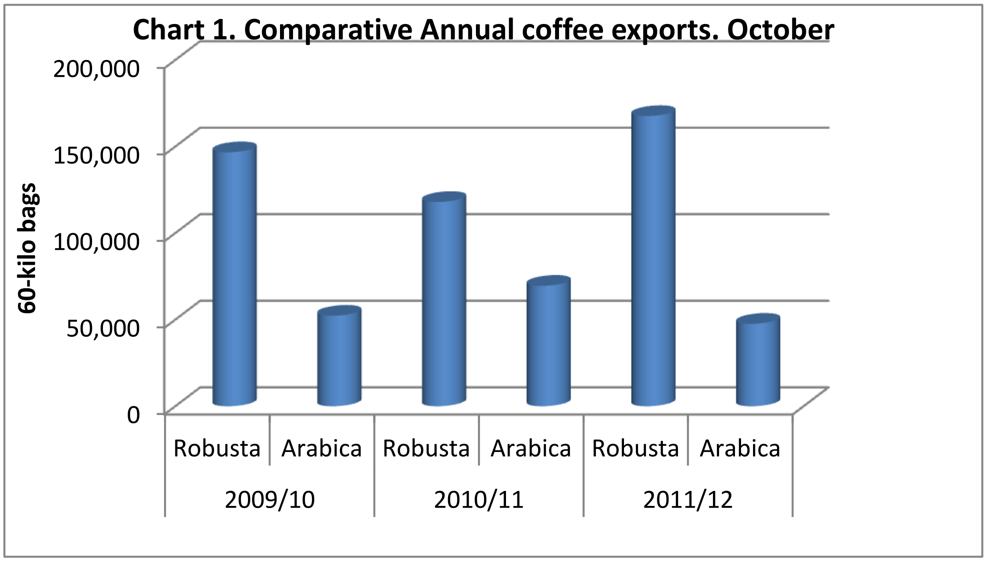
A total of 215,285-kilo bags of coffee worth US $ 30.5 m, which comprised 167,645 bags ($ 18.3 m) of Robusta and 47,640 bags ($ 12.1m), were shipped during the month of October as indicated in table 1.0. Export earnings went up by 12.1% compared to October last year and volume was up by 14.5%. In terms of coffee type, Arabica was lower by 31.5% and 3.4% in terms of volume and value respectively, compared to October 2010, while robusta was up by 41.5& and 70.38% in terms of volume and value respectively.

On a year-to-year basis, exports for the period (Nov 2010 - Oct 2011) totalled 3.17 m bags worth $ 456 m.

Table1.0 Comparative Coffee Export Performance – 60-kilo bags; US$

Coffee Year	2011/12		2010/11		%-age Change	
	Qty	Value $	Qty	Value $	Qty	Value $
Grand Total	**215,285**	**30,455,140**	**188,012**	**23,300,354**	**14.5**	**12.1**
October	215,285	30,455,140	188,012	23,300,354	14.5	12.1
• Robusta	167,645	18,335,972	118,422	10,761,243	41.56	70.38
• Arabica	47,640	12,119,169	69,590	12,539,111	-31.54	-3.35

Chart 1 gives comparative performance by coffee type in the month of October in the past 3 years.



1.0 EXPORTS BY TYPE AND GRADE

Table 2.0 represents coffee exports by type, grade and average realised price for each coffee grade during the month of October 2011.

Table 2.0 Coffee Exports by Type, Grade & Unit Price in October 2011

– *in 60-kilo bags; US $, US $/kg* –

Coffee type/ Grade	Quantity 60-Kilo Bags	%-age	Value in US $	Unit Price $/Kilo
TOTAL	**215,285**		**30,455,140**	**2.36**
ROBUSTA	**167,645**	**100.00**	**18,335,972**	**1.82**
Screen 18	23,319	13.90	2,906,898	2.08
Screen 17	6,616	3.68	836,764	2.11
Screen 15	65,934	39.33	7,763,727	1.96
Screen 12	33,439	19.95	3,590,841	1.79
BHP 1199	17,492	10.43	1,403,284	1.34
Others	20,845	12.43	1,834,458	1.57
ARABICA	**47,640**	**100.00**	**12,119,169**	**4.24**
Speciality	640	1.34	227,049	5.91
Bugisu AB	806	1.69	226,301	5.51
Elgon A	320	0.67	95,239	4.96
Bugisu AA	3,240	6.80	936,565	4.47
Bugisu A	796	1.67	221,271	4.45
Organic CPB	350	0.73	94,908	4.52
Wugar	1,750	3.67	456,022	4.34
Drugar	36,886	77.43	9,373,043	4.24
Others	2,718	5.71	448,768	2.77

[1] Represents such coffees like Sc.1299, Sc. 1599, Sc. 1899, etc. in robusta.

The weighted average price stood at $ 2.36/Kilo in October up from $2.07/kilo realised in October 2010.

Arabica prices averaged $ 4.24/Kilo up from $ 4.15 in September, $3.99 cts in August, $ 4.14 in July. The highest realised price recorded among the arabica grades was for specialty at $ 5.91/Kilo.

The upward trend recorded since June 2011 is largely due to the firmness of Arabica prices on the world market as a result of supply tightness of Arabica beans from Colombia and Central America.

Robusta prices averaged $1.82/Kilo 20 cents down compared to September. Screen 18 fetched the highest price of $ 2.11/Kilo

2.0 INDIVIDUAL EXPORTER PERFORMANCE

Table 3.1 illustrates the performance of the individual coffee exporting companies in the month of October 2011 in terms of quantity and market share. The top 10 exporters, led by Olam (U) Ltd., held a market share of 86.77%.

Table 3.1: Export Performance by Individual Companies in October 2011

	Exporting Company	Quantity	%- age Market Share	
		Bags	Individual	Cumulative
	Grand Total	**215285**		
1	Olam (U) Ltd	44,267	20.56	20.56
2	Ugacof (U) Ltd	30,672	14.25	34.81
3	Kyagalanyi Coffee Ltd	27,974	12.99	47.80
4	Kawacom (U) Ltd.	20,338	9.45	57.30
5	LD Commodities	12,760	5.93	63.23
6	Job Coffee	12,728	5.91	69.14
7	Great lakes	12,460	5.79	74.93
8	Kampala Domestic Store	12,060	5.06	79.99
9	Ibero (U) Ltd	7,899	3.67	83.66
10	Pan Afric	6,690	3.11	86.77
11	Savannah Commodities	6,520	3.03	89.80
12	Armanjaro	2,668	1.24	91.04
13	Coffee Services (U) Ltd	2,565	1.19	92.23
14	Kamba Petroleum	2,425	1.13	93.36
15	Lakeland Holdings Ltd	2,320	1.08	94.44
16	Nakana Coffee Factory	2,284	1.06	95.50
17	Ankole Coffee Producers	1,960	0.91	97.7
18	Bakwanye Trading Co. Ltd	1,920	0.89	96.41
19	Risala	1,800	0.84	97.25
20	Mbale Importes and Exporters	990	0.46	97.71
21	Pen Form	700	0.33	98.04
22	Tranz Gaz	345	0.16	98.20
23	Wabulungu Mult-purpose	330	0.15	98.35
24	Coffee World	320	0.15	98.50
25	Gumutindo Coffee Coop Soc	290	0.13	100.0

3.0 LOCAL SITUATION

Coffee prices in the internal market remained firm but oscillated in the following ranges: Shs. 2,000 – 2500 per kilo of Kiboko (Robusta dry cherries); Shs. 4,000 – 4,500/= for FAQ; and Shs. 4,000 – 4,700 for the conventional coffees. Parchment was at an average of shs.9,000

4.0 COFFEE EXPORTS BY DESTINATION

Table 4.0 gives coffee exports by destination during the month of October 2011. EU countries imported 135,151 bags, accounting for 62.78% of total exports, followed by Sudan with 27,110 bags (12.59%) and Switzerland at 14,040 (6.52%).

Table 4.0 Main Destinations of Uganda Coffee in October 2011

	Destination	QTY	%- Age Market Share	
		60-Kilo Bags	Individual	Cumulative
	GRAND TOTAL	**215,285**	**100.00**	
1	EU[1]	135,151	62.78	62.78
2	Sudan	27,110	12.59	75.37
3	Switzerland	14,040	6.52	81.89
4	Ecuador	10,240	4.76	86.65
5	India	4,860	2.26	88.91
6	Russia	4,595	2.13	91.04
7	USA	4,460	2.07	93.11
8	Egypt	2,885	1.34	94.45
9	Morocco	2,672	1.24	95.69
10	S.Africa	1,920	0.89	96.58
11	Kenya	1,540	0.72	97.30
12	Norway	1,050	0.49	97.79
13	Australia	960	0.45	98.24
14	Algeria	900	0.42	98.66
15	Georgia	668	0.31	98.97
16	Japan	619	0.29	99.26
17	UAE	345	0.16	99.42
18	China	330	0.15	99.57
19	New Zealand	320	0.15	99.72
20	Syria	320	0.15	99.87
21	Israel	300	0.14	100.00

5.0 BUYERS OF UGANDA COFFEE

Table 5.0 shows the buyers of Uganda coffee in October 2011. The top 10 buyers held a market share of 72.2%, down from 79.81% realised in the previous month. Olam International –20.98% (11.77), Sucafina –

[1]EU countries are: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Rumania, Slovakia, Slovenia, Spain, Sweden, The Netherlands, and UK.

9.96% (19.07%), Acom Agro Idustrial – 9.15% (8.75%), Aboco Cafe – 6.97% (3.18%), Louis Dreyfus – 6.90% (19.75%), Volcafe – 6.86% (5.65%). The figures in brackets represent performance in the previous month – September 2011.

TABLE 5.0 Buyers of Uganda Coffee in October 2011: 60-kilo bags

	BUYERS	QTY 60-Kilo Bags	%-Age Market Share Individual	%-Age Market Share Cumulative
	GRAND TOTAL	**215,285**	**100.00**	
1	Olam International	45,167	20.98	20.98
2	Sucafina	21,434	9.96	29.96
3	Ecom Agro Industrial	19,688	9.15	39.11
4	ABACO	15,010	6.97	46.08
5	Louis Dreyfus	14,860	6.90	52.98
6	Volcafe	14,760	6.86	59.84
7	Bernahard Rothfos	7,579	3.52	63.36
8	Socadec	7,358	3.42	66.78
9	Aldwami	5,950	2.76	69.54
10	Icona Cafe	5,734	2.66	72.20
11	Luigi Lavazza	4,620	2.15	74.35
12	Coffee Services	3,845	1.79	76.14
13	Intercom	3,620	1.68	77.82
14	Cofftea	3,500	1.63	79.45
15	Coffy Handels	3,500	1.63	81.08
16	Hamburg Coffee	3,500	1.63	82.71
17	Armanjaro	2,668	1.24	83.95
18	Lova Impex	2,460	1.14	85.09
19	Bero Italia	2,240	1.04	86.13
20	Elmathahib	2,100	0.98	87.11
21	Strauss Commodities	2,095	0.97	88.08
	Others	23,597	10.96	100.0

6.0 COFFEE DEVELOPMENT AND PROMOTIONAL ACTIVITIES

- UMA International Trade Fair, 4th-10th October 2011. UCDA participated in the Fair at Lugogo show ground. UCDA's stall hosted a number of roasters who included Good African Coffee, Star café, and Zigoti coffee who showcased their products on the market. Good coffee brewing practices were demonstrated to show goers as they tasted the various Ugandan coffee brands on the market.

  Good agricultural practices were also demonstrated to farmers in terms of agro-input use, harvesting, dry processing soil and water conservation using the demonstration plot on site. Performance statistics of Uganda coffee were also displayed.

  World Food Day – 14th October 2011. These celebrations took place in Arua District. UCDA was represented by the Production Manager, Principal Development Officer – Northern Region, Regional Coffee Extension Officer – West Nile Region, and a Quality Assistant. The celebrations had very good attendance of both show goers and exhibitors. It was noted that special attention should be accorded to availability of coffee seed and seedlings within the region.

2nd Uganda Coffee Day - 6th October 2011. The Coffee day was held at Nakanyonyi Coffee Centre. UCDA was represented by the Board Secretary/Head of Finance and Administration and the Heads of Departments. The theme of the 2nd Coffee Day was "Public Private Partnership [PPP] for Rapid Multiplication of the 7 Coffee Wilt Resistant Lines" that focused on establishing ways in which the Public and Private sectors can work together to generate, multiply and distribute CWDr in an efficient and an effective way to work towards the production of at least 20 million disease free seedlings every year. It was established that the private sector has enough capacity for multiplication and hardening of the material.

7.0 OUTLOOK FOR NOVEMBER 2011

November projections. The season seems to be off cycle and exports are projected at around 230,000 bags. This might put pressure on quality so as the new crop continues to trickle in, farmers and traders are urged to adhere to good handling practices for better quality and prices. The farmers are further advised to make use of the ongoing rains to look after their coffee gardens – prune and stump - for increased productivity and production.

Upcoming events

5th Uganda National Barista Championships. UCDA will host the championships from 24th – 26th November 2011 at Kampala Sheraton Hotel. The final event will be on 26th November 2011. At the same ceremony the winner of the University Essay competition on Role of the Youth in the Coffee chain will be announced.

IACO Annual General Meeting. This will take place from 21st – 25th November 2011 at Nairobi Safari Park Hotel. There will be an Exhibition of African Coffees which UCDA will participate in.