



# Coffee report – 2008/09 Harvest

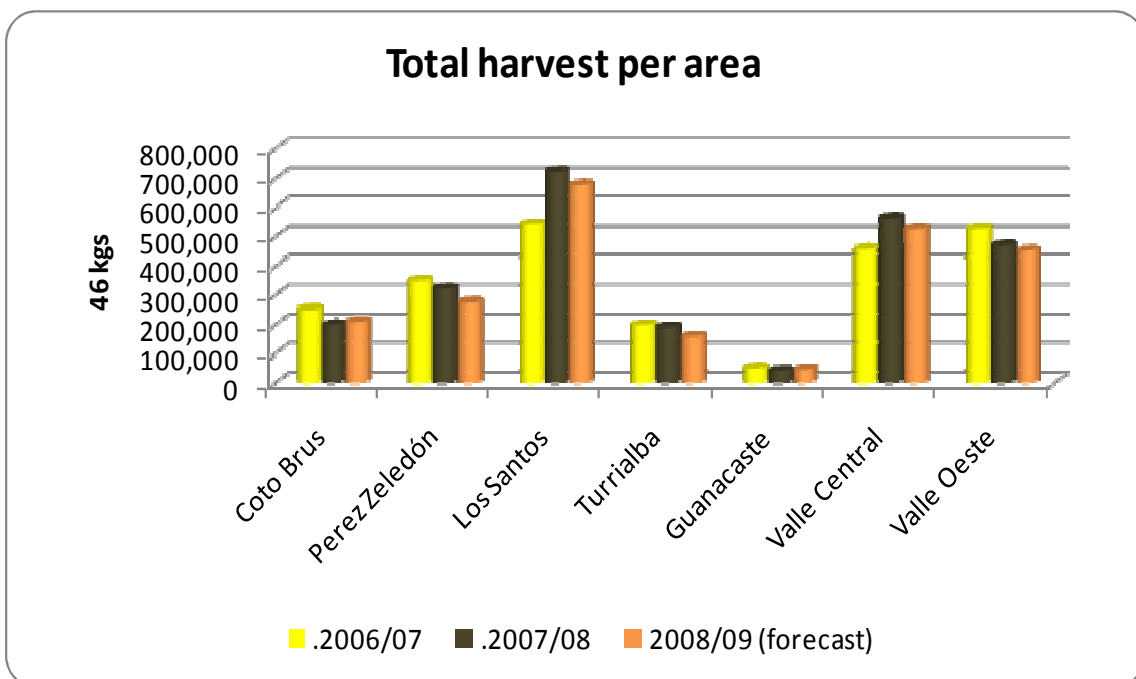


**1st Quarter of December  
2008**

### 1. Harvest comments:

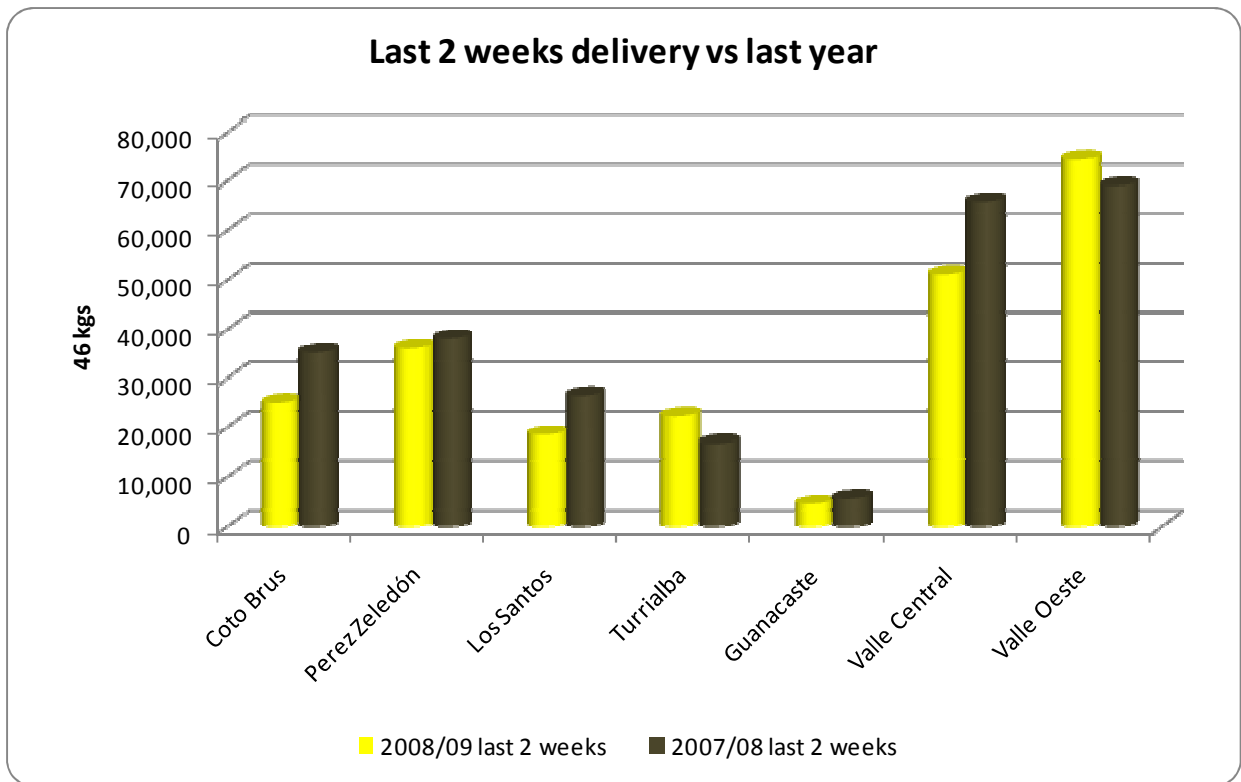
It seems that summer time is closed since last friday. Wind is blowing and temperatures going down.

Yield will have to be checked as it could be lower than expected. Icafé published its last forecast (enclosed below). Some still consider it as "bull", with a forecasted harvest of 2.34 millions of fanegas, 5.8% down vs last year.



Area	Estimated harvest (fanegas)	Change vs last year
Brunca / Coto Brus	197.000	-4.7%
Brunca / Perez Zeledón	275.000	-14.65%
Los Santos Tarrazu	678.000	-6.55%
Central Valley	527.000	-6.88%
West Valley	452.000	-6.5%
Turrialba	159.100	-17.31%
Guanacaste	38.500	+4%





**Note:** for the comments below, we are taking 3 indicators into account:

- Flow of coffee ½ December 08 vs 2/2 November 08
- Flow of coffee ½ December 08 vs ½ December 07
- Total of coffee delivered up to date vs same period last year

**Brunca / Coto Brus:**

Picking has been slowing down in Coto Brus during the 30 days and the county received almost 10,000 fanegas less during the last 15 days than the same period last year. The delivery dropped by almost 16,000 fanegas during the ½ half of December vs the total of coffee delivered during the last 2 weeks of November 08. Next Icafe report should show this area with less coffee than last year. At the moment we still have 24,145 fanegas more than last year but the gap is tightening.



**Brunca / Perez Zeledón:**

The last Icafe report shows a better delivery during the first 2 weeks of December than the last 2 weeks of November 08 but the drop of the harvest is significant with 62.392 qq less than the amount of coffee delivered at the same period last year.

**Los Santos:**

After a strong start, the first picking delivery slowed a little bit with 4.000 fanegas less delivered those past 15 days vs the 2/2 half of November 08 and 8.000 fanegas less vs the total of coffee delivered during the same period last year. We hope to see the figures improving with better weather conditions. For the moment, we still have 12.000 fanegas more than last year.

**Central Valley:**

This area received 14.776 fanegas less than the same period last year. However, it is 10.500 fanegas more than the last 15 days of November 08. For the moment, volumes received are almost the same than last year but due to the early start it is disappointing.

**West Valley:**

This area still shows good volumes but deliveries also slowed quiet a bit during the past 15 days. This area received 5.500 fanegas more vs the same period last year, and almost 15.000 fanegas more vs the last 15 days of November 08. However, overall volume is much higher than last year by 60.000 fanegas

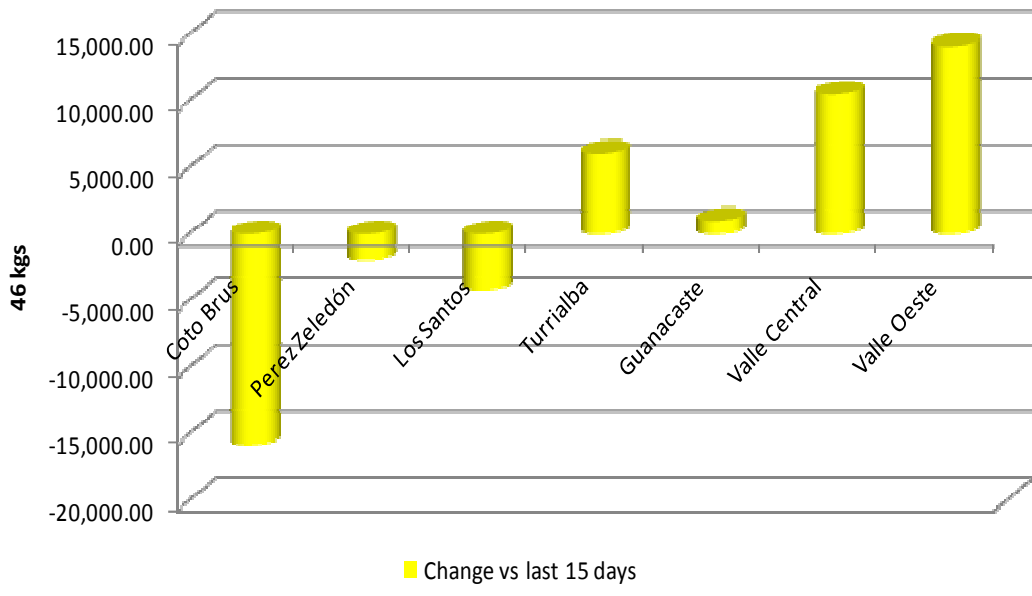
**Others:** Turrialba improving during the last 15 days and Guanacaste almost the same.

**Overall:** total volume slowed during the past 15 days. The country received about 10.000 fanegas more than the last 15 days of November 08, but we have about 22.000 fanegas less vs the same report last year (1/2 half of December 07).

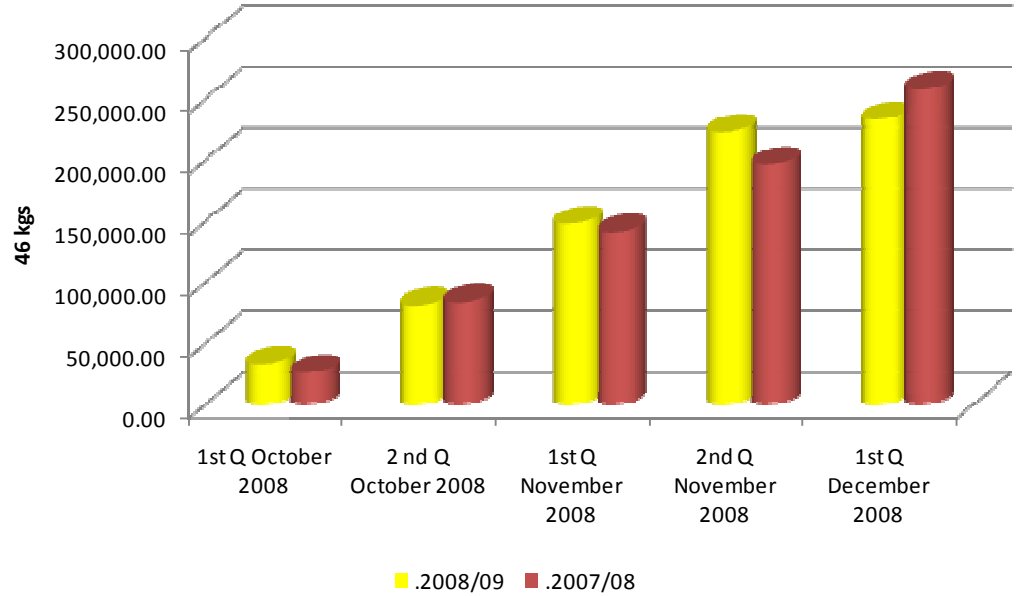
Costa Rica has about 18.000 fanegas more than the same date last year for a total of 744.913 fanegas delivered.



### 2 weeks delivery flow during the 1st half of December vs 2nd half of November

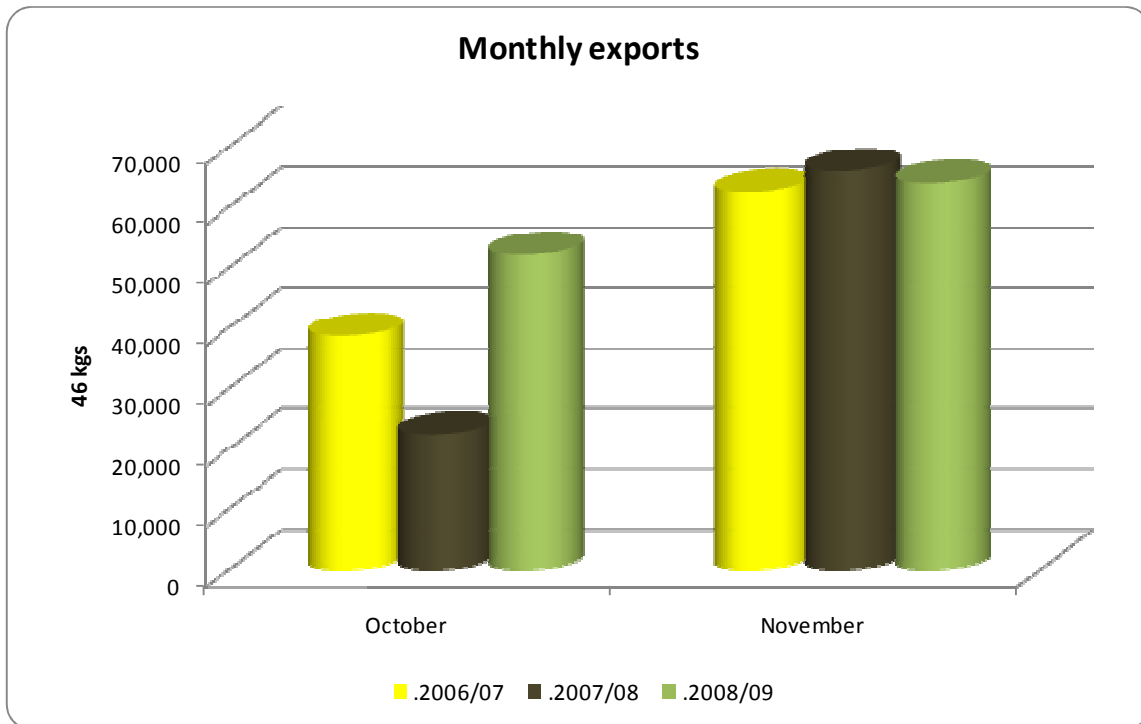


### Total flow of coffee delivered during the last 2 weeks

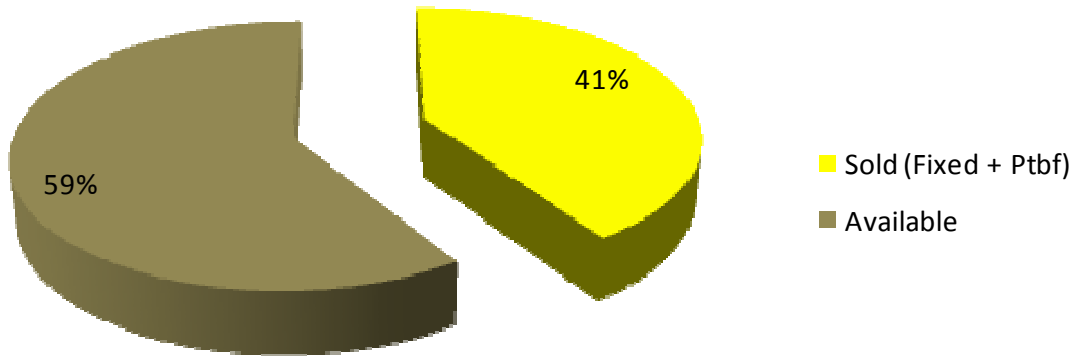


## 2. Commercial activity:

We have no offer from our key suppliers. Millers are now focused on the main picking season in the Central, West valley and Tarrazu. We will be waiting this all month in order to have a better vision about the potential harvest size before coming back (hopefully) to the market.

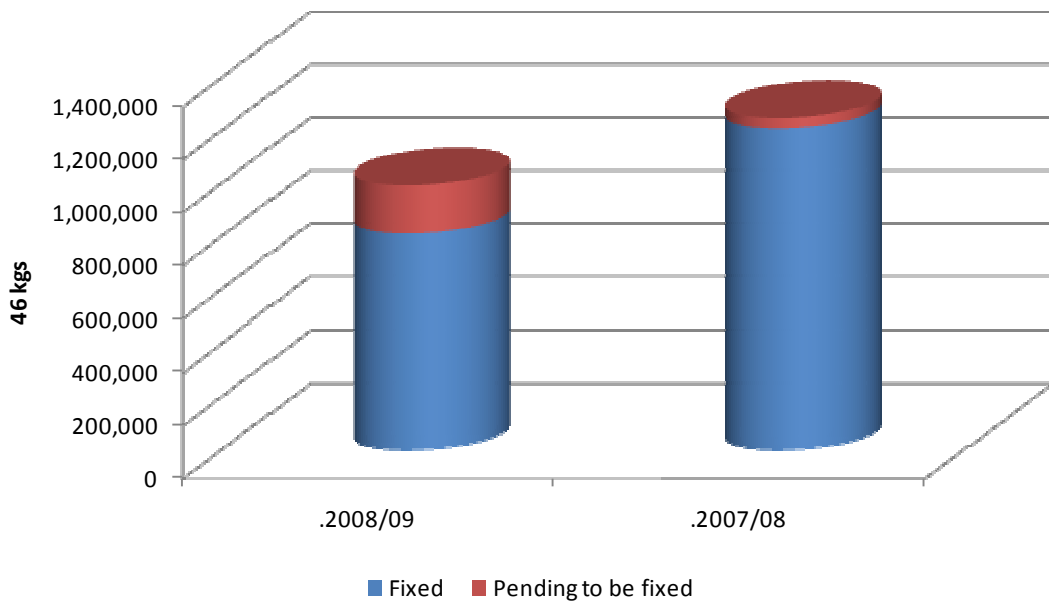


### Sales and availability



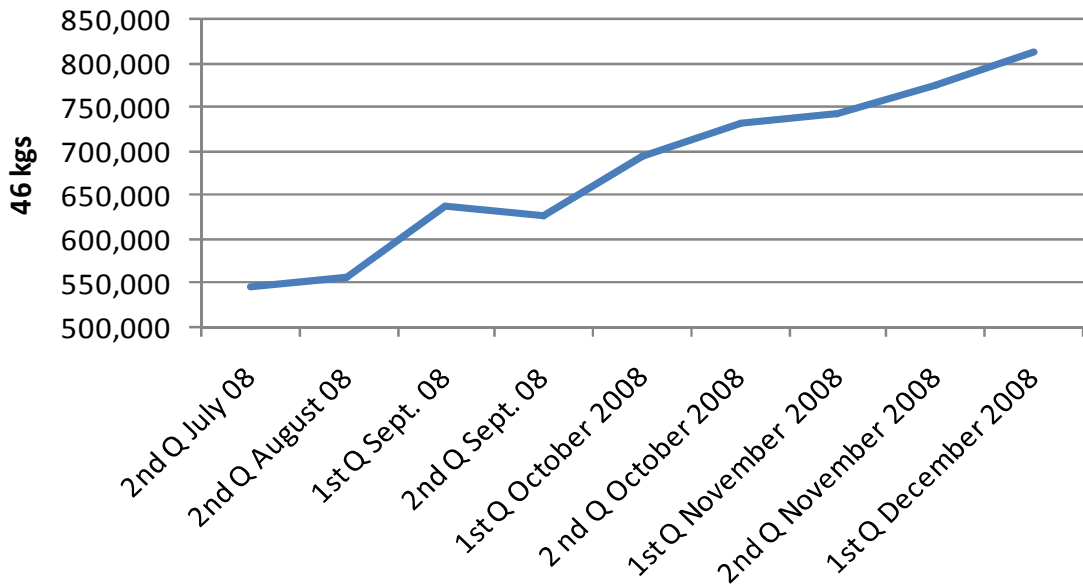
A 40.7% of the Icafe forecasted harvest is already sold with a 31.6% fixed.

### This year vs last year sales



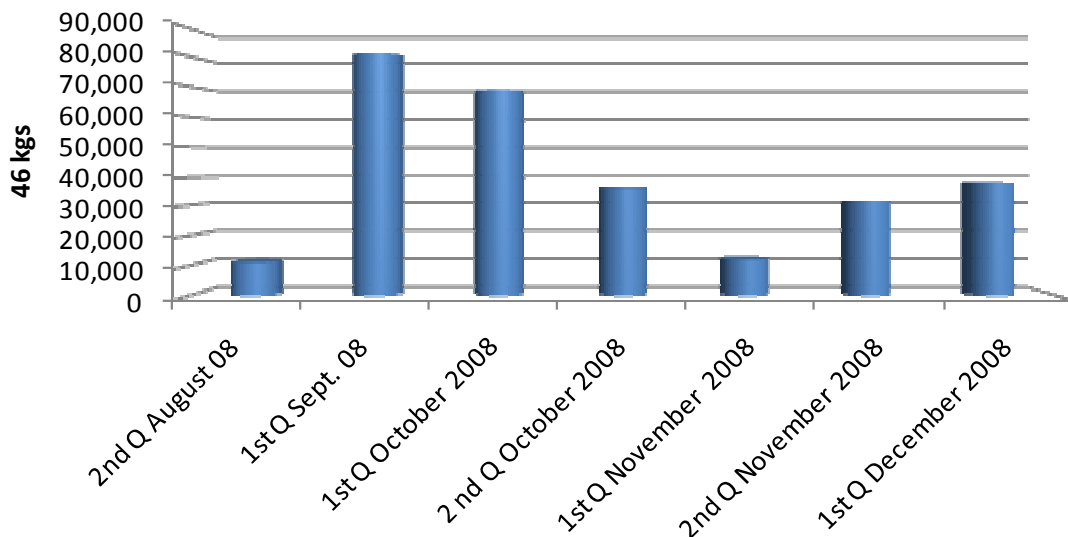


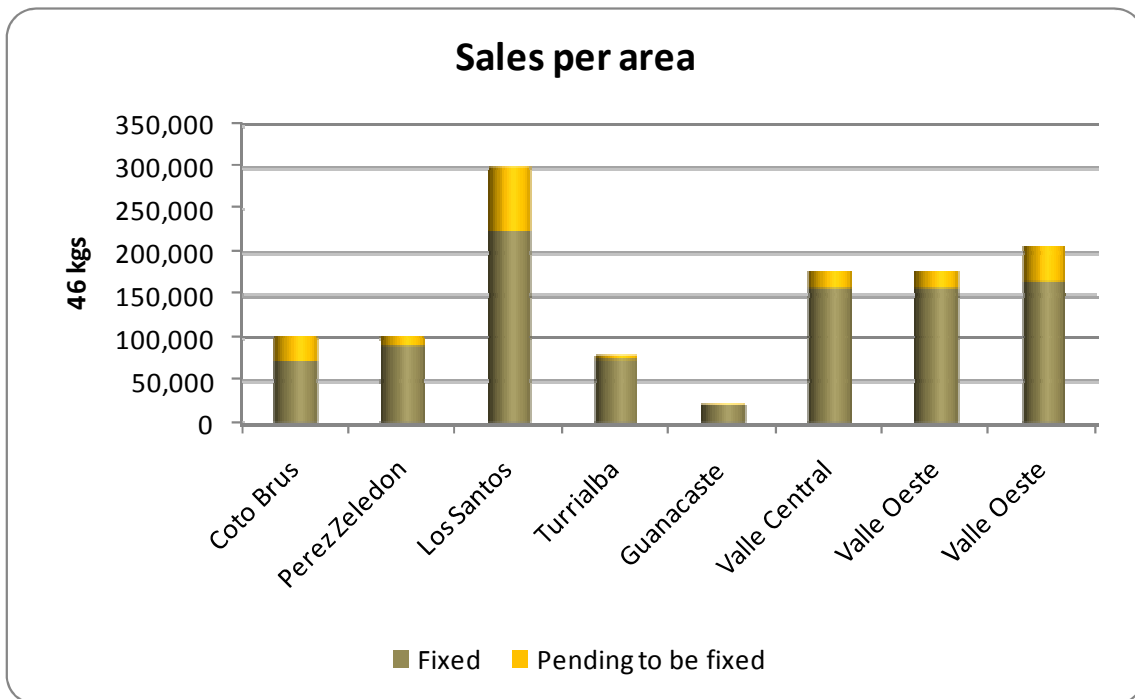
### Total amount of coffee fixed



About 38.000 qq of coffee fixed during the past 15 days, the highest figure since ½ October 08.

### Amount of coffee fixed during the past 15 days

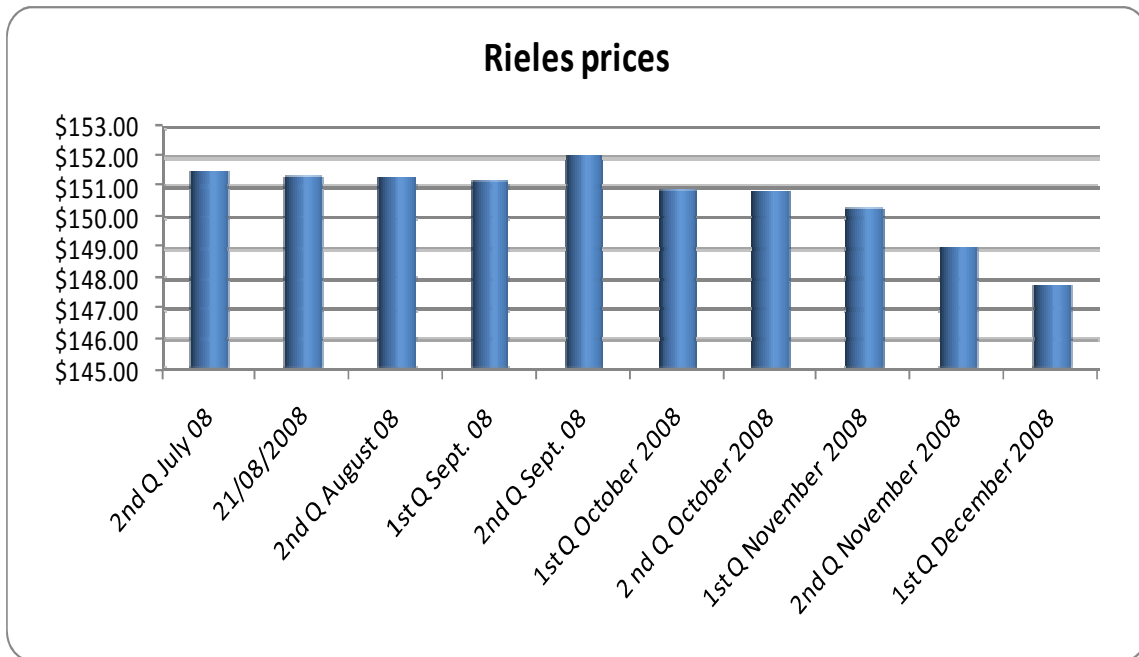




The lowest percentage of sales is registered in the Central Valley (30.2% of the forecasted production) whereas the highest is reached by Coto Brus with almost a 47%.



### 3. Prices:

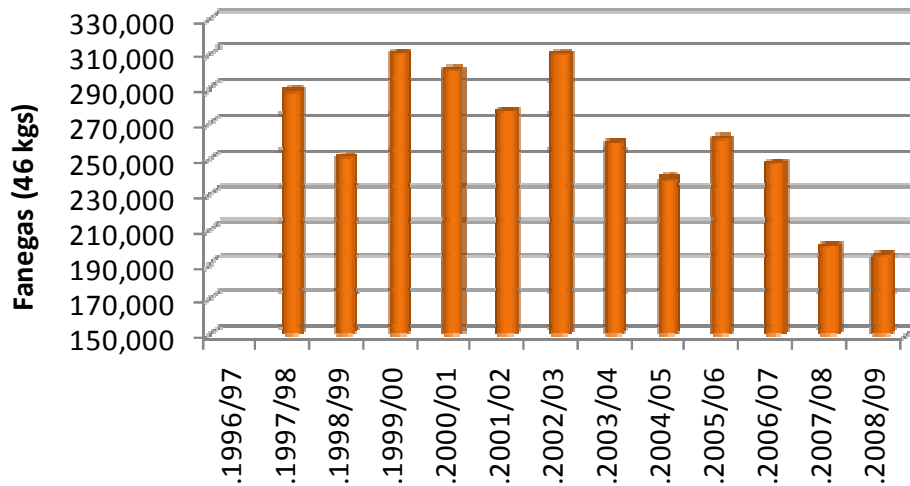


Due to the high amount of coffee fixed during the past 15 days and depressed prices in NY, the average Price (expressed Rieles basis) dropped by \$1.56 vs last report.

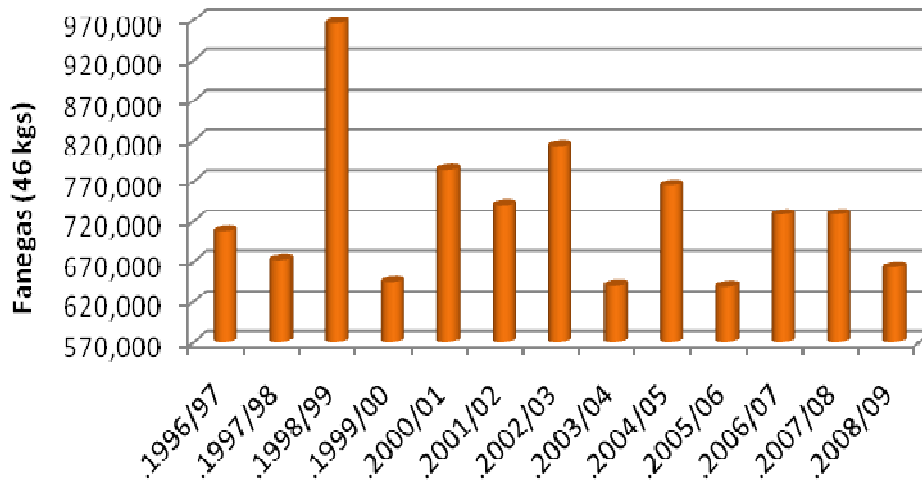


Below figures from the last Icafe harvest report, showing the evolution of the production in each coffee region:

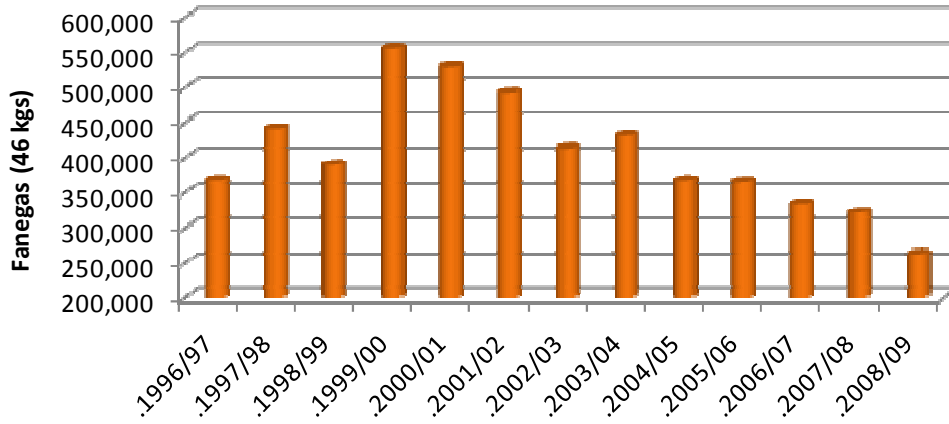
**Historical production in Coto Brus  
(Source Icafe)**



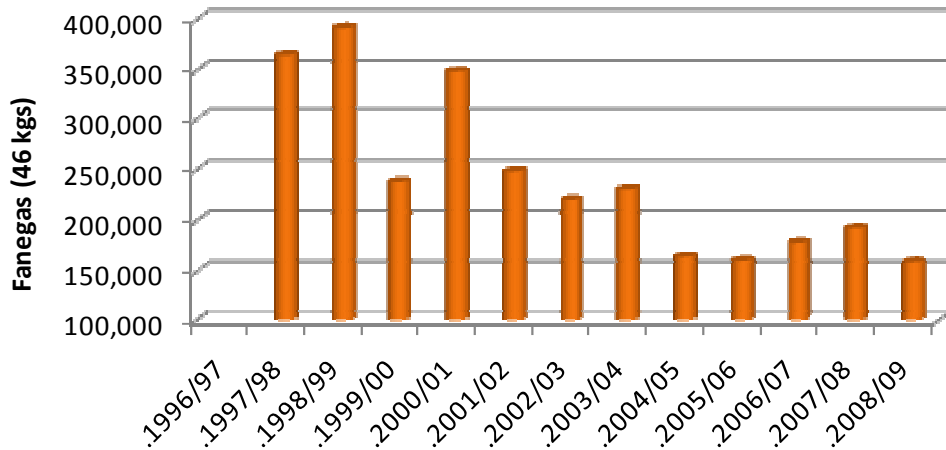
**Historical production in Los Santos  
(Source Icafe)**



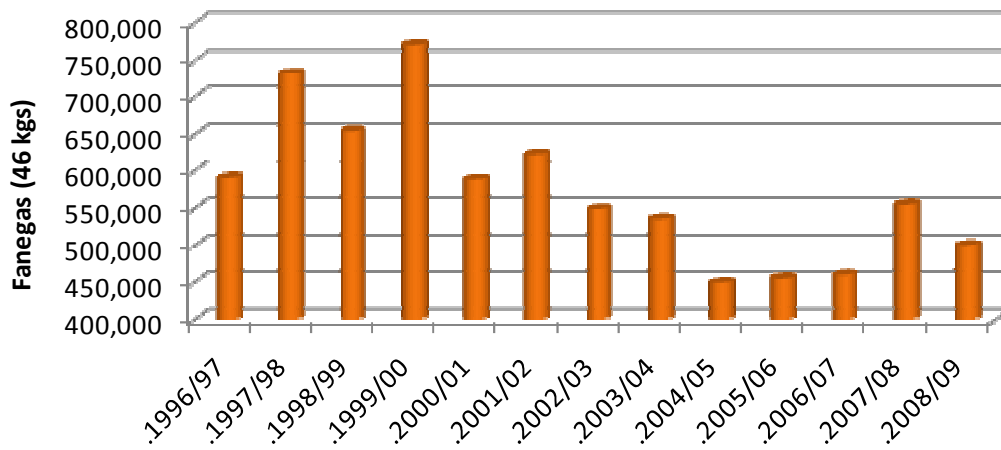
**Historical production in Perez Zeledon  
(Source Icafe)**



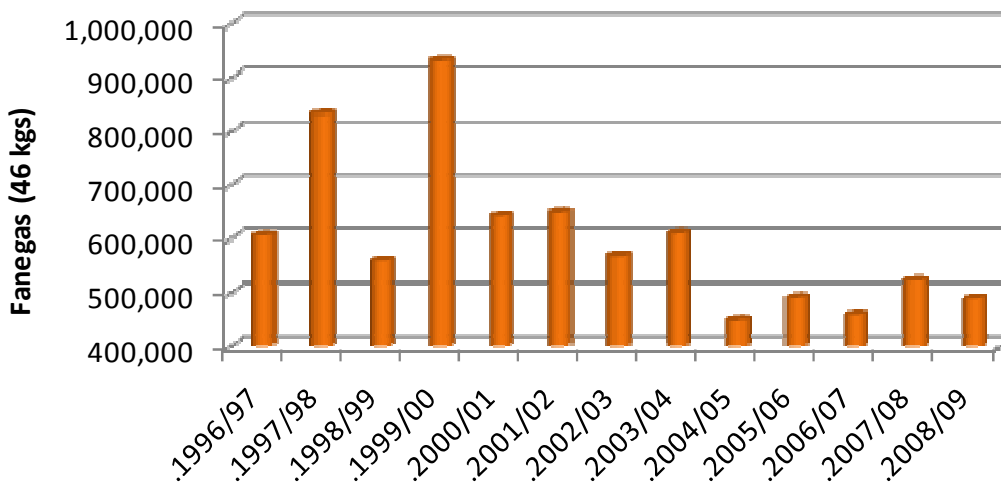
**Historical production in Turrialba  
(Source Icafe)**



### Historical production in the Central Valley (Source Icafe)



### Historical production in the West Valley (Source Icafe)



### Historical production in Costa Rica (Source Icafe)

