



COCONUT MARKET REVIEW

**FOURTH QUARTER
OCTOBER-DECEMBER 2024**

THE AGRIBUSINESS DEVELOPMENT & MARKETING PROGRAM.

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1. INTERNATIONAL MARKET

For ease of comparison, **Table 1** presents the average world market prices for copra and CNO inclusive of the preceding three quarters of the year.

In general, copra prices were relatively better during the first and second quarters relative to the third and fourth quarters of the year. On the other hand, CNO prices were stronger during the second and third quarters compared to the first and fourth quarters of the year.

The average world market price for copra in this quarter was \$1,071/MT, 6.3% higher than \$1,008/MT in the second quarter, but 0.2% lower than the corresponding quarter of 2023. At the same time, the quarterly average CNO price declined by 11.4% from \$1,272/MT in the third quarter.

On a monthly basis, the average market price for copra in October rose by 1.8% (\$1,039/MT)

and by 6.2% in November (\$1,103/MT), before falling by 3.0% to \$1,070, in December.

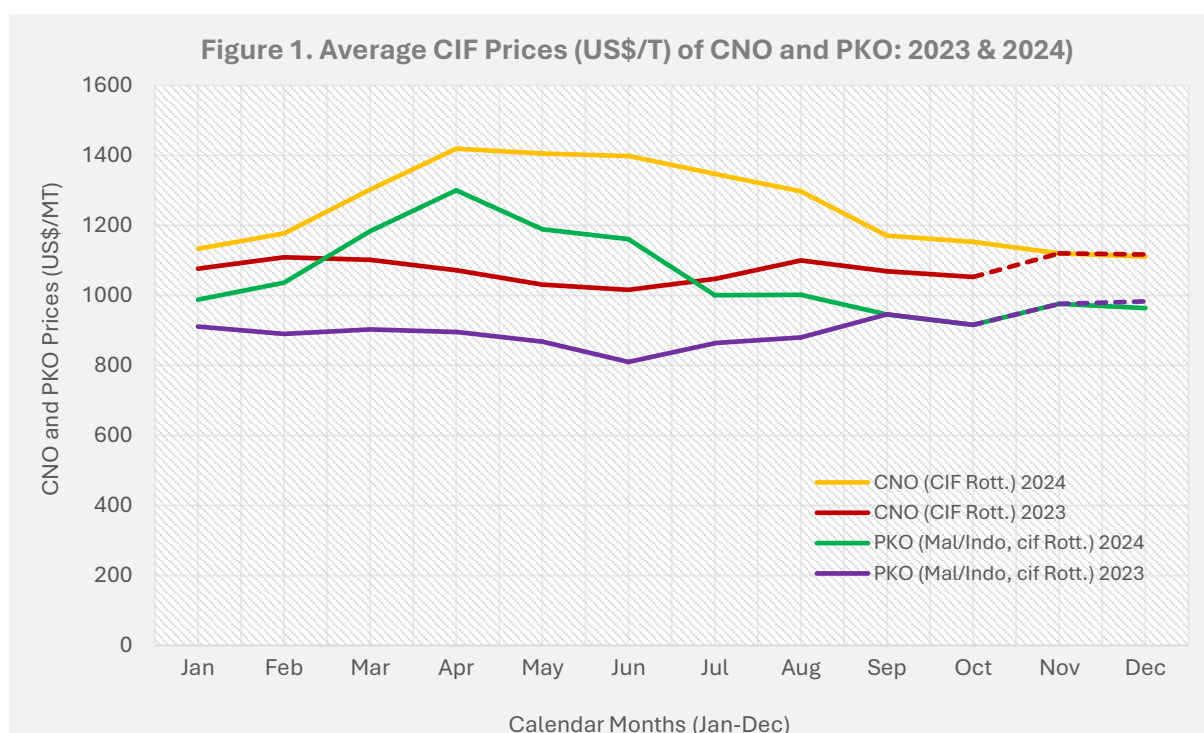
The average price of PKO (substitute product for CNO) was \$952/MT, 3.1% lower than \$983/MT in the third quarter, but 0.7% lower compared to the corresponding quarter of 2023.

Overall, the average prices for both CNO and PKO have declined as supply shortages in sunflower oils pushed price increases for sunflower oils much higher than both CNO and PKO. Supply for sunflower oils was negatively impacted by the reduced sunflower harvests in Ukraine, with production dropping to 5.6 million MT.

As **Figure 1** depicts, the world market prices for CNO and PKO both trended downward this quarter, with the prices of CNO just a little over PKO.

Months	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Copra (CIFNW US\$/MT)	1,094	1,126	1,132	1,213	1,211	1,177	1,000	1,004	1,020	1,039	1,103	1,070
Quarterly Average	1,117			1,200			1,008			1,071		
CNO (CIF Rott US\$/MT)	1,133	1,178	1,303	1,419	1,406	1,398	1,347	1,298	1,171	1,153	1,120	1,108
Quarterly Average	1,204			1,408			1,272			1,127		

Source: KIK database.

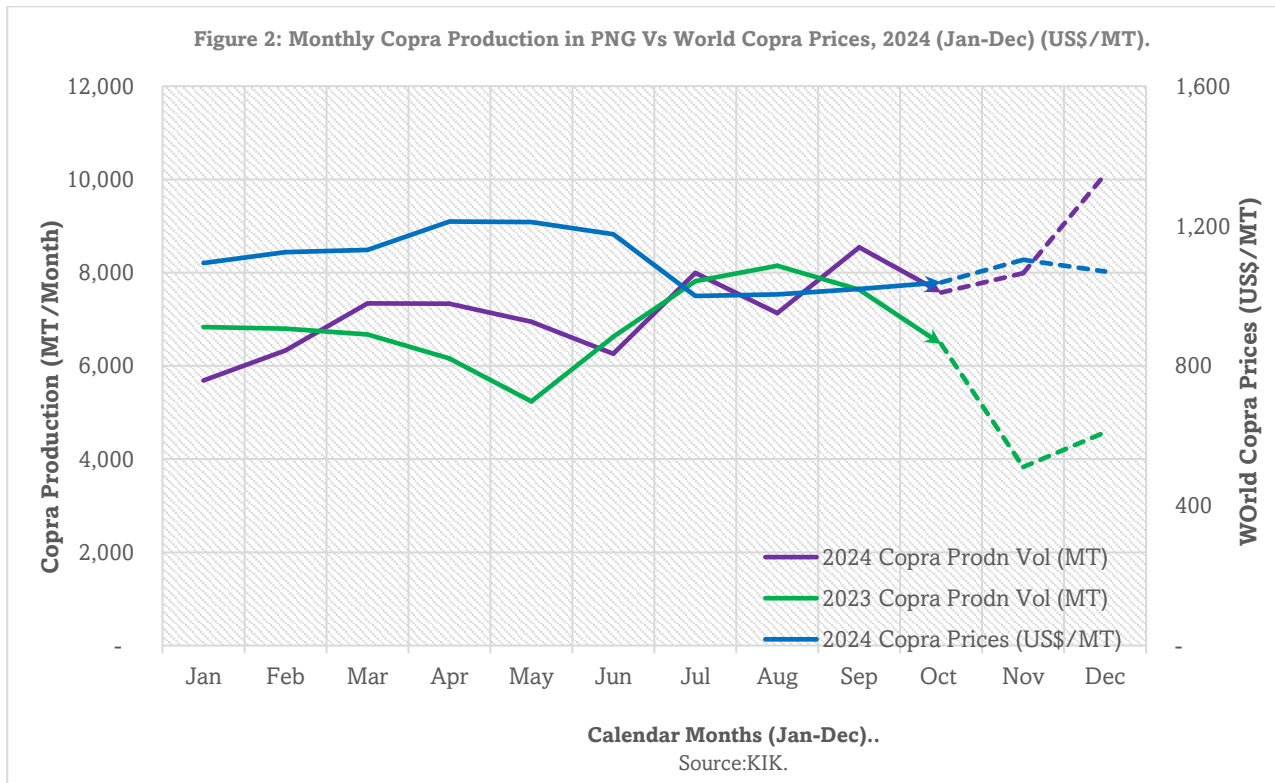


2. DOMESTIC MARKET

2.1 Copra Production

As reflected on **Figure 2**, domestic copra production fluctuated from Jan-Dec, reflecting the global market prices for copra. The average copra production improved from 7,890 MT in the third quarter to 8,558 MT in the final quarter, noting a positive growth rate of 8.5%. In total, PNG produced about 89,244 MT of copra from

January to December 2024. This indicates a marginal increase of production by 16% compared to 76,794 MT produced in 2023. Annual increase in copra production was consistent with 1.7% rise in world market price of copra in 2024 compared to 2023.



2.1.1 Copra Exports by Buying Centre

Copra export figures by buying centres for the 12 months of 2024 are presented in **Table 2**. In the final quarter, export volumes reduced to 2,572 MT, a sharp drop from the 4,518 MT recorded in the previous quarter.

In terms of exports by port, Buka led the way, shipping 1,796 MT with 69.8% share of the export market and Kimbe contributed 776 MT, securing a 30.2% share of the domestic market.

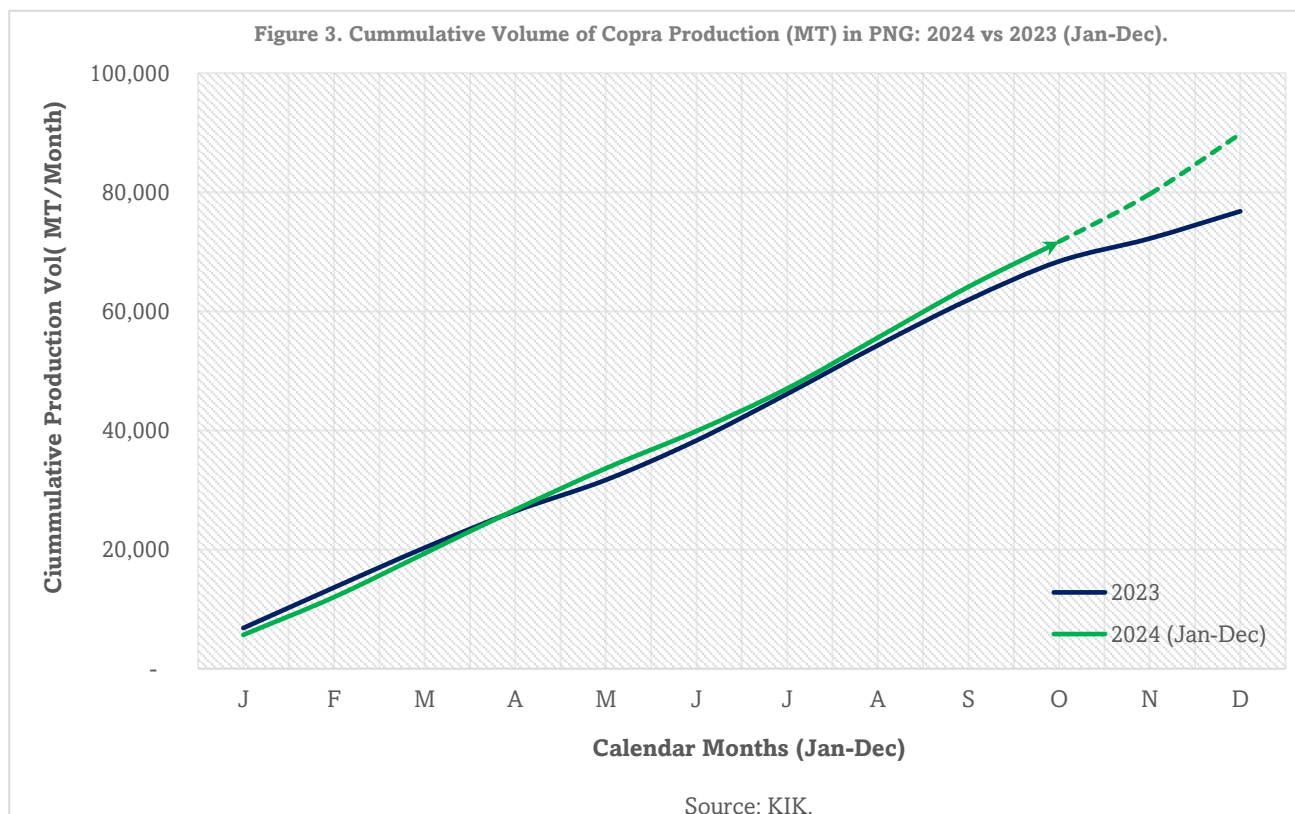
Table 2: Exports of Copra by Buying Centres¹.

Depot Centre	J	F	M	Total	A	M	J	Total	J	A	S	Total	O	N	D	Total
Rabaul	798	-	-	798	2,530	173	1,464	4,167	168	2,272	-	2,440	-	-	-	-
Kimbe	-	1,723	-	1,723	504	2,117	615	3,486	-	-	1,000	1,000	-	776	-	776
Buka	-	-	2,466	2,466	-	973	1,298	2,271	-	1,078	-	1,078	-	1,054	742	1,796
Kavieng	-	-	-	-	-	1,018	-	1,018	-	-	-	-	-	-	-	-
Total	798	1,723	2,466	4,987	3,034	4,281	3,377	10,943	168	3,350	1,000	4,518	-	1,830	742	2,572

2.1.2 Cumulative Volume of Copra Production

Figure 3 illustrates the accumulated copra production volumes for 2023 and 2024, highlighting production trends and, in part, the domestic production capacity in respond to global market prices.

Overall, the production trends in both years remained closely aligned, with only slight variations between the months. However, in the final quarter of 2024, production surged by 8.5%, diverging from the 2023 trend.



¹ Provisional figures

2.2 Domestic Copra Prices

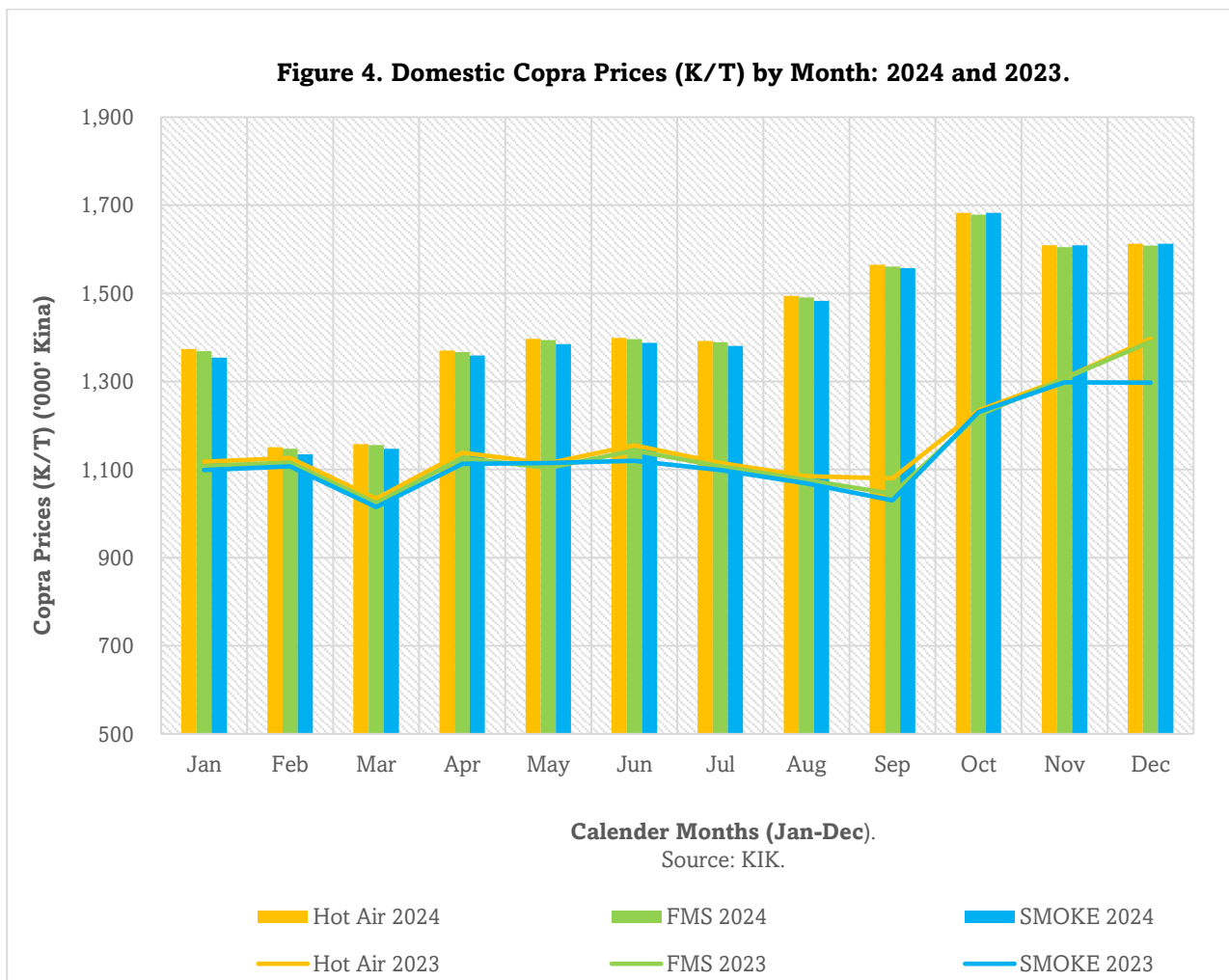
Figure 4 shows the domestic farm gate prices for the different grades of copra from January to December during 2023 and 2024. At the same period, the hot air price rose by 10.2% to an estimated K1,635/MT from K1,484/MT in the third quarter and by 24.5% compared to K1,313/MT in the corresponding quarter of 2023. On the other hand, the FMS copra price rose by 10.0% from K1,481/MT to K1,631/MT this quarter, and by 24.0% increase compared to K1,307/MT in the corresponding quarter of 2023. Smoked copra prices went up by 10.9% to K1,635/MT in this quarter.

On a monthly basis, the hot air price of copra rose by 7.5% to K1,683/MT in October from K1,565/MT in September, but fell by 4.4% to K1,609/MT in November; it rose again by 0.2% to an estimated K1,613/MT in December.

The average monthly FMS copra price grew by 7% to K1,678/MT in October from K1,565/MT in September, but dropped by 4% to K1,605/MT in November, and picked up by 0.2% to an estimated K1,609/MT in December.

The average monthly smoked price increased by 8.1% to K1,683/MT in October from K1,557/MT in September; it declined by 4.4% to K1,609/MT in November but rose by 0.2% to an estimated K1,613/MT in December.

Overall, the hot air, FMS copra and smoked prices performed relatively better during 2024 as reflected by the annual growth rates for hot air, FMS and smoked copra prices which averaged 1.5% and 1.4 % and 1.7% respectively.



2.3 FOB Export Prices of Coconut

The average export prices of coconut products up to this quarter are graphed in **Figure 5**. As indicated by the dotted segment of the price lines, copra prices continued their upward trend into the closing quarter of the year, averaging K2,555/MT—37.4% higher than K1,860/MT in the third quarter. Similarly, CNO prices averaged K6,115/MT, an increase of 23.5% from K4,950/MT in the third quarter, while copra meal prices averaged K899/MT, rising by 19.7% from K751/MT in the third quarter.

Copra prices struggled but trended upward between October and December. The price dropped by 2.6% to K2,188/MT in October, then increased by 20.8% to K2,663/MT in November, followed by a slight increase of 9.5% to K2,873/MT in December.

In the same quarter, copra oil prices followed an upward trend, averaging K5,159/MT in October—7.1% higher than K4,849/MT in September.

Products.

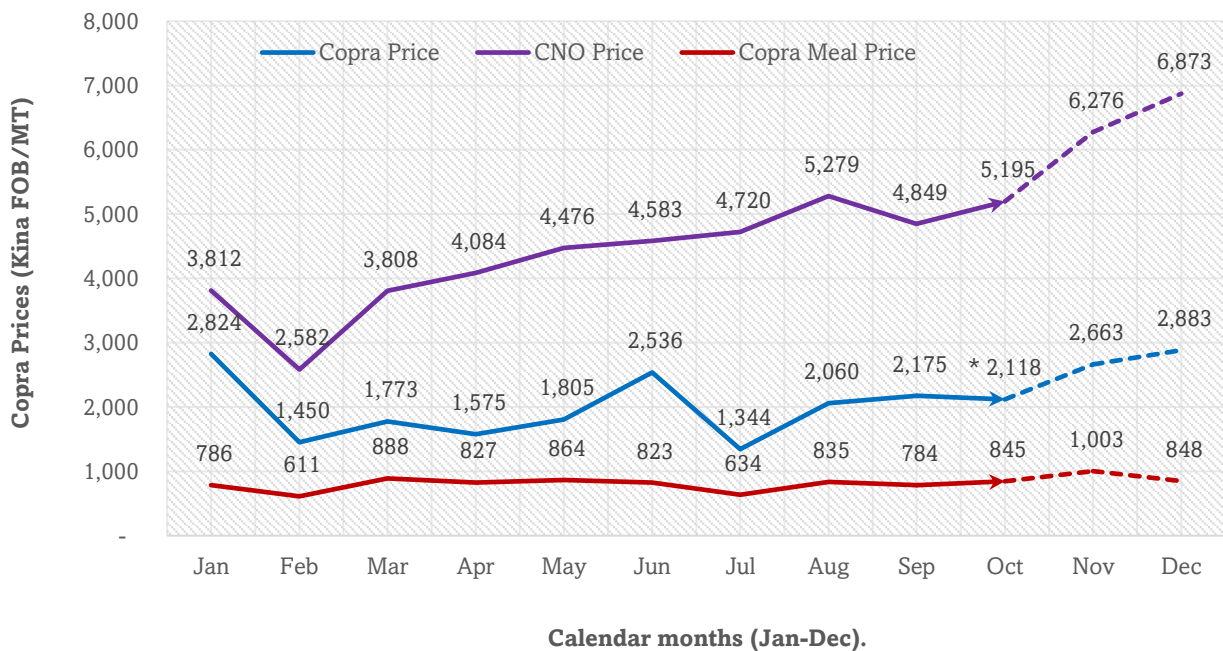
The growth continued with an 18.7% increase to K6,276/MT in November, followed by a further 9.5% rise to K6,873/MT in December.

For copra meal, prices increased by 7.7% to K845/MT in October and by 18.7% to K1,003/MT in November but declined by 15.4% to K848/MT in December.

From January to December, FOB prices for copra fluctuated but recorded an overall positive increase of 5.5%, indicating an upward trend in global prices. During the same period, FOB prices for CNO and copra meal showed average increases of 7.1% and 2.7%, respectively. Despite fluctuations in price trends, the overall average remained positive.

It is anticipated that strong market prices for coconut products will continue into 2025 and the coming years, driven by a surge in demand for coconut-based products in the European, Asian, and U.S. markets.

Figure 5: Kina FOB Export Prices: 2023 (Jan-Dec).



Source: KIK.

*estimate

2.3.1 Copra Exporter Margins.

Table 3 presents the PNG Kina (PGK) export margins from the first quarter up to the current quarter. In the last quarter, the average export margin stood at 35%, the highest among all

other quarters of the year. On a monthly basis, the export margin declined from 28.2% in September to 20.7% in October before rebounding to 39.7% in November and further rising to 44.2% in December.

Table 3. Copra Export Margins: (Jan –Dec, 2024).						
Month	Copra Export Price (US\$/MT)	Copra Prices FOB/MT)	Export (PGK)	FMS Copra Price (PGK/MT)	Exporter Margin (PGK FOB/MT)	% Share of PGK FOB Copra Price/MT
Jan	1,094	2,824		1,369	1,455	51.53%
Feb	1,126	1,450		1,177	273	18.85%
Mar	1,132	1,773		1,387	387	21.81%
Apr	1,213	1,575		1,367	208	13.22%
May	1,211	1,805		1,394	411	22.78%
Jun	1,177	2,536		1,396	1,139	44.94%
Jul	1,000	1,344		1,289	55	4.10%
Aug	1,004	2,060		1,491	569	27.62%
Sep	1,020	2,175		1,561	614	28.22%
Oct	1,039	*2,118		1,678	440	20.75%
Nov	1,103	2,663		1,605	1,058	39.74%
Dec	1,070	2,883		1,609	1,274	44.21%

* estimate

2.4 Exports of Coconut Products.

2.4.1 Copra.

As tabulated on **Table 4**, Copra export volume for this quarter totalled 2,572 MT, marking a 43.1% decline from the 4,518 MT recorded in the third quarter. However, it was 33.4% higher than the corresponding quarter in 2023.

On a monthly basis, no exports were reported in

October, but export picked up in November with 1,831 MT before declining by 59% to 741 MT in December. Overall, total copra exports in 2024 reached 23,019 MT, reflecting a strong export growth of 77% compared to the 12,993 MT recorded in 2023.

Table 4. Copra Exports Volume (Jan-Dec 2024).

Calendar Month	Jan	Feb	Mar	Total	Apr	May	Jun	Total	Jul	Aug	Sep	Total	Oct	Nov	Dec	Total
Export Vol.(MT)	798	1,723	2,466	4,987	3,034	4,281	3,627	10,943	168	3,349	1,001	4,518	-	1,831	741	2,572

2.4.2 CNO.

Table 5 presents the CNO export volumes to date. In the fourth quarter, exports declined by 28.8% to 4,969 MT from 6,975 MT in the third quarter, representing a 33.4% drop compared to the same quarter in 2023. By month, CNO exports increased to 1,368 MT (up 7.8%) in

October and surged to 2,030 MT (up 48.4%) in November before falling by 26.6% to 1,571 MT in December. Overall, total CNO export volume in 2024 rose by 34% to 22,842 MT, compared to 17,046 MT recorded in 2023.

Table 5. CNO Exports Volume (Jan-Dec 2024).

Calendar Month	Jan	Feb	Mar	Total	Apr	May	Jun	Total	Jul	Aug	Sep	Total	Oct	Nov	Dec	Total
Export Vol. (MT)	2,806	1,294	2,263	6,363	1,784	1,695	1,056	4,535	1,998	3,708	1,269	6,975	1,368	2,030	1,571	4,969

2.4.3 Copra Meal.

Table 6 presents the export volume of copra meal up to the fourth quarter of 2024. Exports of copra meal in the fourth quarter fell by 59.5%, dropping to 2,208 MT from 5,458 MT in the third quarter. However, this was a 6.1% increase compared to the 2,082 MT recorded in the corresponding quarter of 2023. Monthly performance shows a consecutive decline in copra meal exports.

In October, exports decreased to 897 MT (-36.1%), followed by a further decline to 651 MT (-27.4%) in November. However, exports recovered slightly in December, rising by 1.4% to 660 MT.

For the year, PNG exported a total of 13,144 MT of copra meal from January to December, representing a 46% increase over the 8,981 MT exported in 2023.

Table 6. Copra Meal Exports Volume (Jan-Dec 2024).

Calendar Month	J	F	M	Total	Apr	May	Jun	Total	Jul	Aug	Sep	Total	Oct	Nov	Dec	Total
Export Volume (MT)	736	1,233	1,265	3,234	763	1,281	200	2,243	1,749	2,306	1,403	5,458	897	651	660	2,208

2.5 Domestic Exporters of Coconut Products

5.1 Copra Exporters and Market Share.

Table 7 presents the copra exporters and their export market share up to this quarter. In the most recent quarter, two firms—KBSA and Sankamap—exported a total of 2,572 MT of copra. Sankamap led in market share,

accounting for 69.8% (1,796 MT), while KBSA contributed 30.2% (776 MT). Notably, the Philippines imported the entire export volume of 2,572 MT due to its strong domestic demand for coconut derivative products.

Table 7. Copra Exporters and Market Share (Jan-Dec,2024)².

Exporters	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)
1. CPL	798	16.0	-	-	315	7.0	-	-
2. KBSA	1,723	34.6	2,974	27.2	1,001	22.2	776	30.2

² Provisional figures

3.Sankama p	2,466	49.4	2,271	20.8	1,078	23.9	1,796	69.8
4.Aero	-	-	244	2.2	338	7.5	-	-
5. One You Sing	-	-	513	4.7	-	-	-	-
6.Pacific Lama	-	-	3,923	35.8	1,786	39.5	-	-
7. Kliaren	-	-	1,018	9.3	-	-	-	-
Total	4,987	100.0	10,943	100.0	4,518	100.0	2,572	100.0

2.5.2 CNO Exporters and Market Share.

In the final quarter of 2024, a total of 4,969 MT of CNO was exported by two firms (Table 8). SD Guthrie recorded the highest export volume, totalling 4,045 MT, and secured an 81.4% share of total exports. Globe

Manufacturing exported the remaining 924 MT, accounting for 18.6% of the domestic export market. No exports were reported for CPL during the reporting period.

Table 8. CNO Exporters and Market Share.

Exporters	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)
1. SD Guthrie	1,966	30.9	1,490	32.9	1,701	24.4	4,045	81.4
2. Globe Manufacturing	4,396	69.1	3,045	67.1	4,536	65.0	924	18.6
3. CPL	-	-	-	-	738	10.6	-	-
Total	6,362	100.0	4,535	100.0	6,975	100.0	4,969	100.0

2.5.3 Copra Meal Exporters and Market Share.

As shown in **Table 9**, there are three (3) main exporters of copra meal. Among them, CPL exporter was not consistent in terms of meal export during the year, unlike SD Guthrie and Globe Manufacturing. In the latest quarter, only SD Guthrie and Globe Manufacturing firms exported a total of 2,208 MT of copra meal, with the domestic export market share of 76.1% and

23.9%, respectively.

The 2,208 MT of meal exported was distributed to five (5) different countries based on their internal demand. Australia imported large volume of meal, about 1,531 MT, which equals to 47.3% of the total import share, trailed by India with 317 MT (9.8%), Great Britain, 180 MT (5.6%), United States 160 MT (4.9%) and New Caledonia with 20 MT (0.6%).

Table 9. Copra Meal Exporters and Market Share.

Exporters	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)	Export Vol. (MT)	Market Shares (%)
1. CPL	100	1.3	-	-	1,136	20.8	-	-
2. SD Guthrie	1,400	44.1	980	43.7	1,660	30.4	1,680	76.1
3. Globe Manufacturing	1,734	54.6	1,263	56.3	2,662	48.8	528	23.9
Total	3,234	100.0	2,243	100.0	5,458	100.0	2,208	100.0

3. EXPORT EARNINGS FROM COCONUT PRODUCTS.

The revenue generated from three traditional exportable coconut products during 2024 is tabulated in **Table 10**. In the final quarter of this year, total revenue earned was K39.62 million, which was 18.4% lower compared to the K48.40 million earned in the preceding quarter. The inflow of revenue fluctuated between the months of the final quarter, reflecting world market prices, declining by 16.6% to K7.86

million in October, trending up by 1.32 times in November, and then falling again by 26.1% to K13.50 million in December.

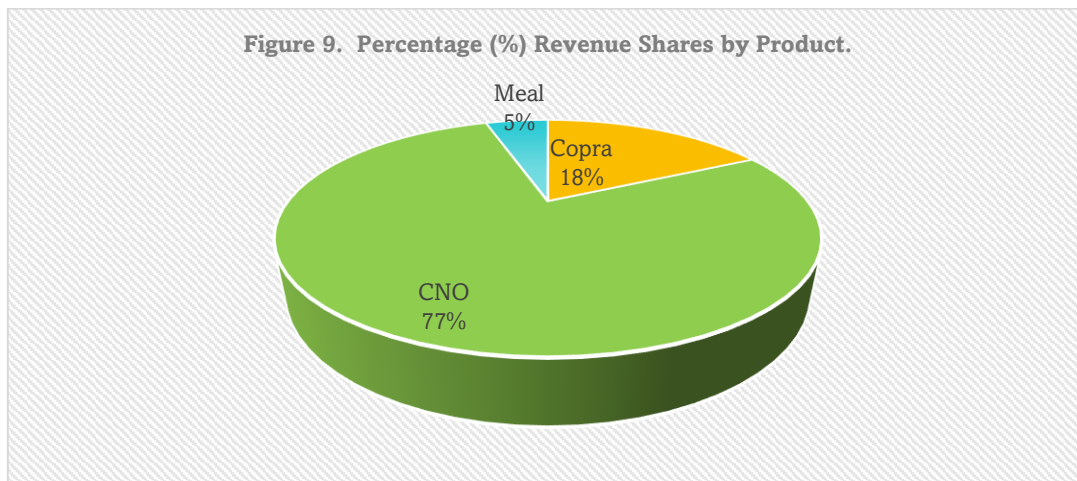
Aggregately, the coconut industry generated roughly K165.77 million in 2024, indicating an 83% growth rate compared to the K90.64 million earned in 2023.

Table 10: Export Earnings (K' M) from Coconut Products (Jan-Dec)

Month	J	F	M	Total	A	M	J	Total	J	A	S	Total	O	N	D	Total
Copra	2.25	2.49	4.37	9.11	4.78	7.73	9.20	21.71	0.23	6.70	2.18	9.11	-	4.87	2.14	7.01
CNO	10.69	3.34	8.62	22.65	7.29	7.59	4.84	19.72	9.43	19.57	6.15	35.15	7.11	12.74	10.80	30.65
Meal	0.58	0.75	1.12	2.45	0.63	1.11	0.16	1.90	1.11	1.93	1.10	4.14	0.75	0.65	0.56	1.96
Total	13.52	6.58	14.11	34.21	12.70	16.43	14.20	43.33	10.77	28.20	9.43	48.40	7.86	18.17	13.50	39.62

The pie chart in **Figure 9** shows the percentage share of revenue generated, categorized based on products. The copra oil product generated K30.65 million from October to December, which is equivalent to 77% of the total revenue.

In the same period, K7.01 million was generated by the copra product, representing 18% of the total revenue, while the copra meal product earned a total of K1.96 million, accounting for a 5% revenue share.



Source: KIK.

SUMMARY

1. For copra, the average price increased by 6.2% to \$1,071, up from \$1,008 in the third quarter. However, compared to the same quarter of the previous year, the price was a bit lower by 0.2%.
2. the average world market price for CNO experienced a negative growth rate of 11.4%, declining to \$1,127 from \$1,272 in the previous quarter.
3. In total, PNG produced about 89,244 MT of copra from January to December 2024. This indicates a marginal increase of production by 16% compared to 76,794 MT produced in 2023.
4. Overall, the hot air, FMS copra and smoked prices performed relatively better during 2024 as reflected by the annual growth rates for hot air, FMS and smoked copra prices which averaged 1.5% and 1.4 % and 1.7% respectively.
5. Aggregately, the coconut industry generated roughly K165.77 million in 2024, indicating an 83% growth rate compared to the K90.64 million earned in 2023.