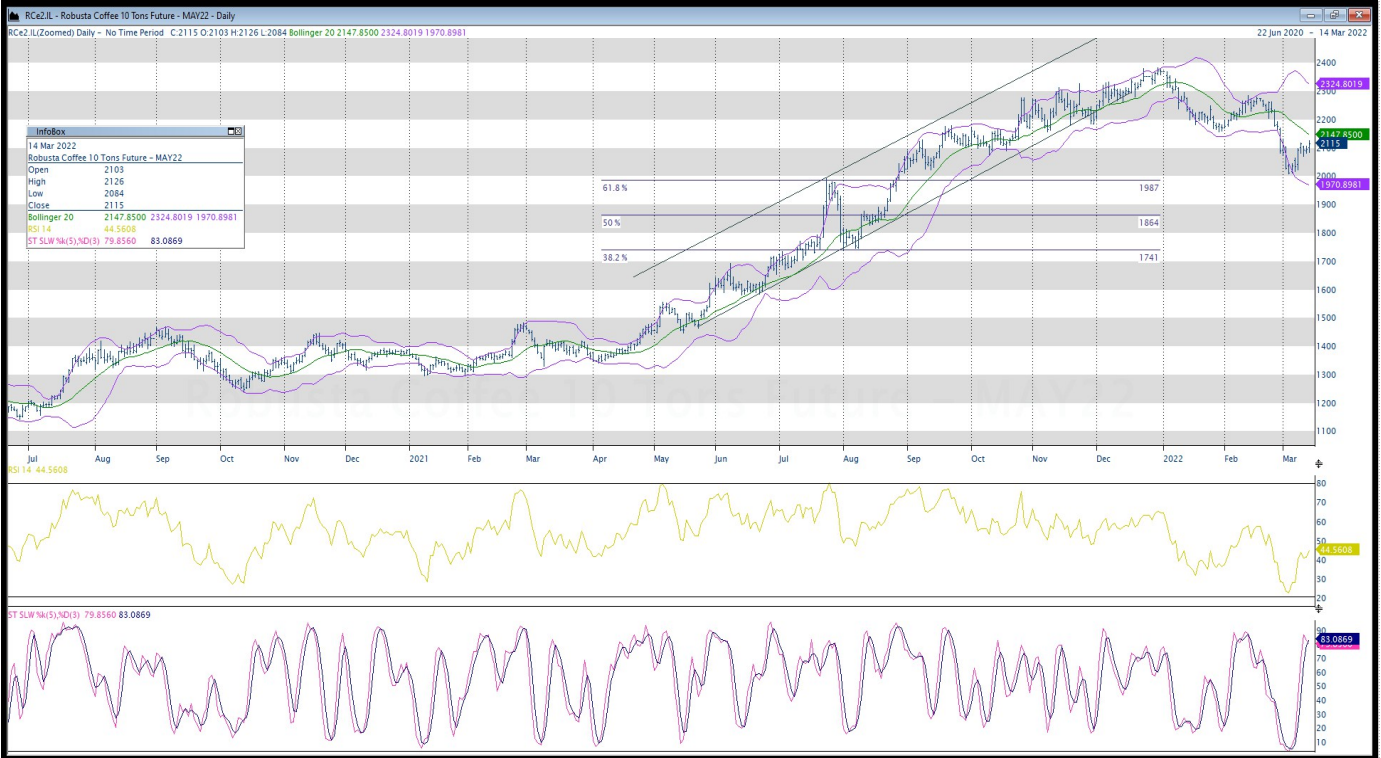


## LONDON ICE MARKET



### LONDRES

Posición	último	dif	alto	bajo	cierre
MAR22	2235	2	2254	2240	2240
MAY22	2110	15	2126	2084	2115
JUL22	2075	3	2087	2062	2081
SEP22	2074	6	2081	2060	2075

### London ICE:

Supports: 2085, 2020, 2000 & 1950  
Resistances: 2135 & 2175-2185

### NUEVA YORK

Posición	último	dif	alto	bajo	cierre
MAR22	221,00	-1,95	224,05	218,80	219,65
MAY22	218,85	-3,10	223,45	218,05	218,80
JUL22	218,35	-3,05	223,00	217,70	218,35
SEP22	217,50	-2,60	221,70	216,55	217,20

### New York ICE:

Supports: 220,75 & 212,25  
Resistances: 227,00, 230,75, 232,50 & 239,00

## NEW YORK ICE MARKET



### BRAZIL

Brazil Green Coffee exports fell by 14% y/y in February, with shipments falling to 3.15m bags from 3.67m a year earlier according to exporters group Cecafe. Arabica exports were seen dropping 10% y/y to 3m bags whilst Robusta shipments declined 59% y/y to 129,809 bags. Total exports (green, roasted & soluble) fell 13.6% y/y to 3.44m bags. Cecafe warned that container supplies are not enough to ship the accumulated cargoes at ports and new products. They also said that exports may be affected by the war in Ukraine in the coming months due to the financial sanction imposed on Russia and the suspension by shipowners of vessels berthing in both countries.

The Brazilian Minister of Agriculture, Tereza Cristina, will propose at FAO (Food and Agriculture Organization of the United Nations) that fertilizers are not included in the sanctions against Russia for food security reasons. Argentina, Bolivia, Chile, Paraguay and Uruguay support the idea.

The warm air mass - that began to act since February 20th in the southeast region - was the main meteorological phenomenon in the first week of March, resulting in high temperatures in the afternoon and preventing the arrival of cold fronts. For the next week, the forecast is for a weakening of the warm air mass and a first cold front of March arriving in the Southeast region, which should cause moderate rains in the South, Cerrado and Mogiana regions.

### VIETNAM

During February 2022, Vietnam exported 139,371 tons of coffee with value by US\$321.3 million, 14.70% lower in volume and 13.3% in value from the previous month. The cumulative export performance for the first 2 calendar months registered 370,874 tons for US\$823.1 million, significantly increased by 30.8% in volume and 65.5% in value y/y, the Customs Authority reported.

While weather conditions continued to be favorable across the Highlands, coffee growers suffer a spiral of cost increases from gasoline to fertilizers.

### CENTRAL AMERICA / COLOMBIA

**Guatemalan** exports for the month of February increased to 298,115 bags from 289,270 a year earlier, according to data emailed by the National Coffee Association.

World coffee exports amounted to 10.9 million bags in January 2022, compared with 10.6 million in January 2021, up 2% on year, according to ICO's monthly data. Increased coffee exports were driven by higher volumes of **Other Milds** (+26.9%), while exports of Brazilian Naturals, Colombian Milds and Robustas were down by 5.1%, 1.4% and 0.6% respectively.

### OTHERS

**Kenya** - Auction on offer this week were 30,000 bags. Quality was mainly FAQ. Less than 10% of the bids were accepted on the floor. Reserve prices announced were too high being a reflection of farmers expectations. A significant volume of what was offered remains unsold and will appear in coming auctions. The weather remains hot and dry. Food-grade containers remain scarce. However, the logistics situation overall is slowly showing signs of improvement.

### DEMAND / INDUSTRY

**ICE US Certified Arabica Stockpiles** rose by 5,712 bags net on Friday, taking us up to 1,027,688 bags in exchange approved warehouses. 13,235 bags were graded on Friday - of which; 3,560 failed whilst 9,675 bags passed. There are 148,563 bags pending grading.

**ICE EU Certified Robusta Stockpiles** were seen at 9,258 lots on Friday (+41 intraday). 75 lots of Robusta were graded on Friday (all Vietnam). 65 lots passed; 10 lots failed. So far this month, 506 lots have passed whilst 26 lots have failed grading. We expect another 800 lots or so of gradings to make their way to the Exchange against last breakbulk shipments from origin.

**J.M. Smucker's** US retail coffee business achieved third quarter sales of \$661.8m. Coffee continues to be one of J.M. Smucker's strongest business divisions amid rising costs, supply chain disruption and market volatility. Reporting its third quarter results to 31 January 2022, the US coffee, food and pet food manufacturer said net sales decreased by \$19.6m, or 1%, to \$2.06bn compared to the same period in 2021. The company attributed the fall to the divestiture of several of its businesses over the past year, including its Crisco vegetable oil brand and its Natural Balance and private label pet food businesses. J.M. Smucker's US retail coffee business, however, performed more favorably, with net sales increasing \$35.9m, or 6%, to \$661.8m compared to the same period in 2021.

Bloomberg published an article on **US demand** in which they said 'after a lull during the pandemic, 66% of the U.S. are now drinking coffee daily, the most in about five years, according to a National Coffee Association survey. Driving the gains are coffee lovers age 40 and up who are rejoining the labour force and need the caffeine. By comparison, just 58% of Americans were daily coffee drinkers in 2021 and 63% in 2020.

**Starbucks**, Coca-Cola and Pepsi are joining McDonald's in pausing operations in Russia as a response to the invasion of Ukraine. Starbucks announced yesterday it was suspending all business activity in Russia as Vladimir Putin's forces continue their nearly two-week-old invasion of the neighboring country. In a letter published past Tuesday, Starbucks CEO Kevin Johnson expressed his concern about the ongoing invasion, writing that the coffee chain will provide support to nearly 2,000 of its Russia-based employees as its license partners will temporarily close down stores.

### QUOTATION EURO / US DOLLAR

€/US\$ rate	last	high	low
<b>EUR/USD Euro/US Dollar</b>	1,09717	1,0994	1,09008

We remain very focused on the war in Ukraine and the Central Banks' Meetings. Last Thursday we had the ECB's where, as expected, interest rates were not raised and the end of the bond purchase program was announced for the third quarter of 2022.

We are all with doubts about what the different Central Banks will do. Will they continue with the expected rate hikes and in some cases already even announced? The FED is expected to raise rates between 3 and 4 times before the end of the year, and the ECB at least once. Will expectations be met with the uncertainty of the war?

This week we have more meetings of Central Banks. On Wednesday the American FED, on Thursday the Bank of England (it already raised rates last time) and on Friday the Bank of Japan.

### ADDITIONAL COMMENTS

Bloomberg ran a headline that the market may shift to surplus basis the loss of demand from Russia, Ukraine and possibly a bit in surrounding countries. The S&D forecast is still being contested amongst agronomists & analysts with the impact of potential fertiliser shortages on the supply side presenting an equally big question.

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