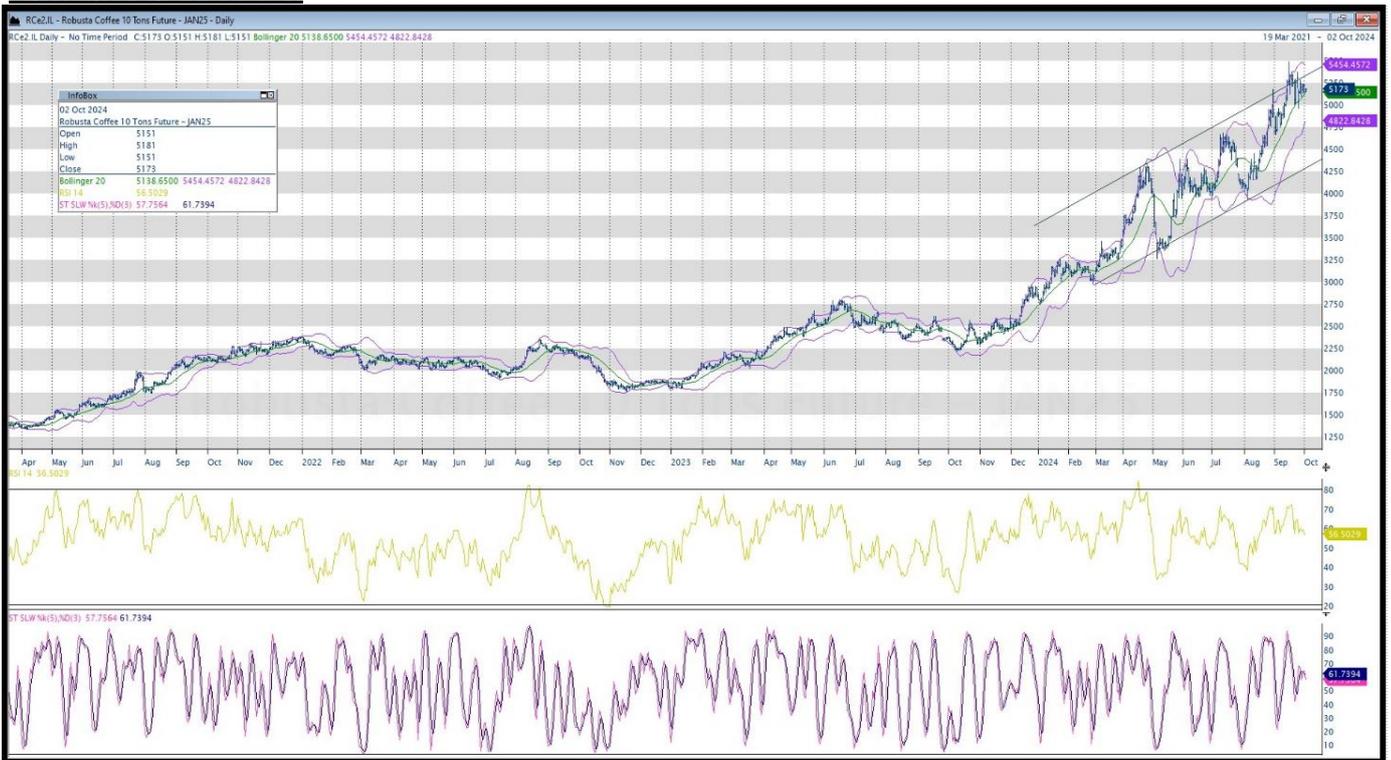


LONDON ICE MARKET



LONDRES					
Posición	último	dif	alto	bajo	cierre
NOV24	5436	-9	5466	5416	5445
JAN25	5161	-18	5181	5151	5179
MAR25	4936	-9	4946	4923	4945
MAY25	4779	2	4779	4767	4777

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
DEC24	266,10	1,95	266,75	265,00	264,15
MAR25	264,05	1,90	264,60	263,00	262,15
MAY25	261,60	1,80	262,30	260,75	259,80
JUL25	259,35	2,35	259,35	258,00	257,00

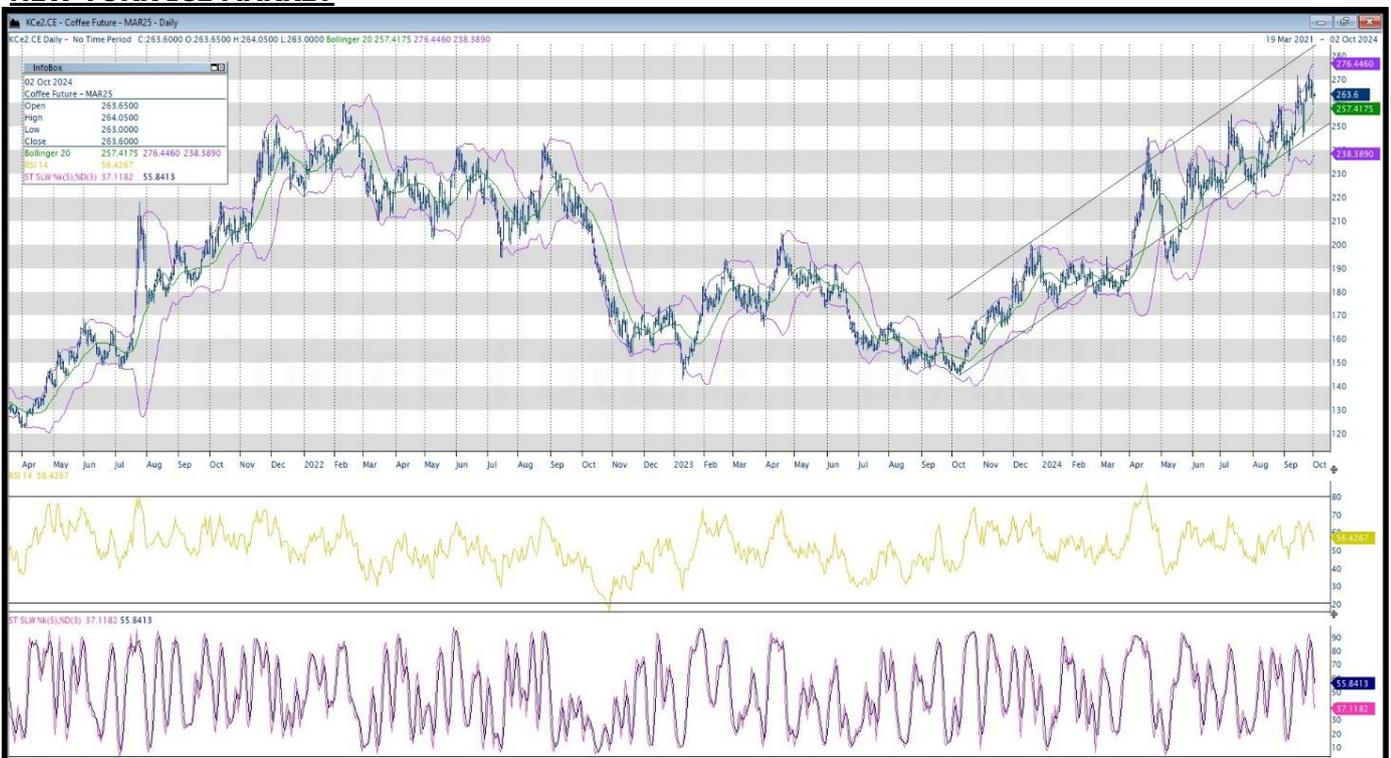
London ICE:

Supports: 5365, 5305, 5195 & 5010
Resistances: 5470, 5495, 5575 & 5610

New York ICE:

Supports: 262,50, 258,25, 253,50 & 249,00
Resistances: 268,00, 275,25 & 306,25-309,00

NEW YORK ICE MARKET



WEEKLY MARKET REPORT



BRAZIL

Brazil could be facing its worst drought since 1981, and the weather forecast is not encouraging as per local sources. Models are suggesting that the much-needed rain – essential to trigger the flowering season – will not arrive in substantial quantities until mid-October. If the rainfall is adequate and well distributed in the following weeks, the outlook is likely to improve, but the damage already done to the crops by the drought could be irreversible. Reports from the field reveal increasingly critical situation almost everywhere, starting with Minas Gerais, Brazil's largest Arabica producing state. According to a survey led by Sistema Faeng (Minas Gerais Agricultural and Livestock Federation), with more than 1,700 rural producers surveyed, it expects an average reduction in the 2025/26 Arabica season of around 23%.

To summarize, Brazil weather continues to be the main topic driving the market. The European forecast model still shows the southeast very dry over the next 7 days, while the GFS does show some light rains beginning of October.

The ongoing shortage of food-grade containers continues to disrupt logistics, with shipping lines continuing to delay the release of empties, often delaying further the shipping deadlines. This issue aggravates the tight space availability on ships, with bookings for nearby vessels facing significant constraints.

Cecafé's latest reports highlight the resilience of Brazilian coffee exporters amid significant infrastructure and logistical challenges, particularly at the local ports. According to Cecafé estimates, persistent blockages and delays in loading led Brazil to accumulate 1.861 million 60kg bags of coffee that were not shipped in August. This resulted in a loss of foreign exchange earnings of \$477.41 million.

Exports of robusta coffee beans from Brazil are set to reach a record 9 million bags in 2024, Vice President of Exporters Group CCCV Jorge Luiz Nicchio says during the Vitoria Coffee Summit. From January through August, shipments already amounted to 6.1m bags.

Brazil's central bank raised its 2024 growth forecast and now sees the economy expanding in line with the most optimistic estimates, corroborating its decision to start an open-ended cycle of interest rate hikes. The bank expects gross domestic product to expand 3.2% this year, up from June's estimate of 2.3%. For 2025, the bank sees GDP expansion at 2%.

VIETNAM

Vietnam's upcoming coffee harvest is expected to reach 24.5m bags, Vietnam Coffee and Cocoa Association Chairman Nguyen Nam Hai said during the Vitória Coffee Summit held in Brazil end past week. In the 2023/24 crop, total output should have reached about 26.7 million bags. However, shortage of robusta coffee is seen by VICOFA as temporary, as low coffee prices seen in 2021 drove a reduction in coffee areas as farmers planted more durian, but farmers are currently replacing old trees with new ones to get better yields after prices climbed.

Robusta prices in Vietnam are \$900 per ton higher than Arabica prices. In the first half of September, Vietnam exported 15,155 tons of Robusta, earning \$76.6 million, with an average price of \$5,053 per ton. Arabica coffee export stood at 1,129 tons worth of \$4.7 million, with an average price of \$4,166 per ton.

According to the General Statistics Office, during the first eight months, Vietnam exported more than one million tons of coffee, earning \$3.99 billion. The export fell by 12.5% in volume but surged by 34.8% per cent in value year-on-year.

The April 2024 to March 2025 crop from Indonesia continues to flow to export markets, the current coffee crop which is around 85% robusta coffee and the balance arabica, has been forecast ahead of the harvest to potentially reach a median of 11.50 million bags, which is 31.45% above that of the 2023/2024 total production. The local consumer market in Indonesia is estimated to absorb approximately 4.80 million bags of coffee internally.

CENTRAL AMERICA / COLOMBIA

Colombia's National Federation of Coffee Producers reports that production rose by 17% in the first eight months of 2024, and by as much as 20% in August alone. This brings the total for the last 12 months to 12.53 million bags, a figure not seen since December 2021. Exports in the first 11 months of the current coffee year, on the other hand, rose by 9.35% to a total of 10.819 million bags. It is important to note that these results have been achieved despite the negative impact of La Niña in the last two years. The Federation expects production to grow by a further 15% to 13 million sacks in 2024/25. In a report, the Federation also states that it has renewed an additional 100,000 hectares with new climate-resistant varieties, bringing the total area under coffee cultivation in Colombia to 842,000 hectares.

OTHERS

Uganda is expected to produce around 6.50 million bags during the coming October 2024 to September 2025 coffee year, or on par with the current coffee year. This crop is expected to be made up of 5.50 million bags of Robusta Coffee and around 1 million bags of arabica Coffee. The Ugandan Coffee Development Authority UCDA have reported that their country's coffee exports for the first eleven months of the current 2023/2024 coffee year to be 5.82 million bags and one might think with only one month left to report, that the country's exports will surpass the 6 million bag mark for the 2023/24 year. There is an enthusiasm within the country to increase robusta productivity, which has a direct relationship to the improved value that producers are receiving for their coffee considering the robusta supply demand shortfall within the worldwide consumer markets, and the record prices reflected in the London futures market. The UCDA have partnered with the Agricultural Business Initiative (aBi) to design and implement a National Action Plan for compliance with the European Union Deforestation Regulation. Through this initiative, the Government of Uganda have allocated 13.90 billion Uganda Shillings (3,5 million EUR) to establish and implement a National Traceability System to manage EUDR compliance processes, the target is to have at least one million farmers registered with their geolocations recorded by the end of the year.

DEMAND / INDUSTRY

China's coffee market is expected to grow to 313.3 billion yuan (\$44 billion USD) by the end of 2024, up from 265.4 billion yan last year (Source: SCMP)

QUOTATION EURO / US DOLLAR

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,10809	1,10828	1,10542

From the ECB, C. Lagarde was confident that inflation would fall below the 2% objective in September thanks to the moderation of prices in Services, which should allow them to lower rates again at their October meeting, as is foreseen by consensus. On his side, J. Powell (Federal Reserve) also expressed confidence in the strength of the United States economy and favored 2 more rate cuts of 25 basis points before the end of the year (compared to 3 currently discounted by the market).

ADDITIONAL COMMENTS

Bloomberg published an EUDR article in which they said that 'the world's largest coffee traders have started to take on an additional risk: selling deforestation-free beans to Europe before final rules are even laid out'

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