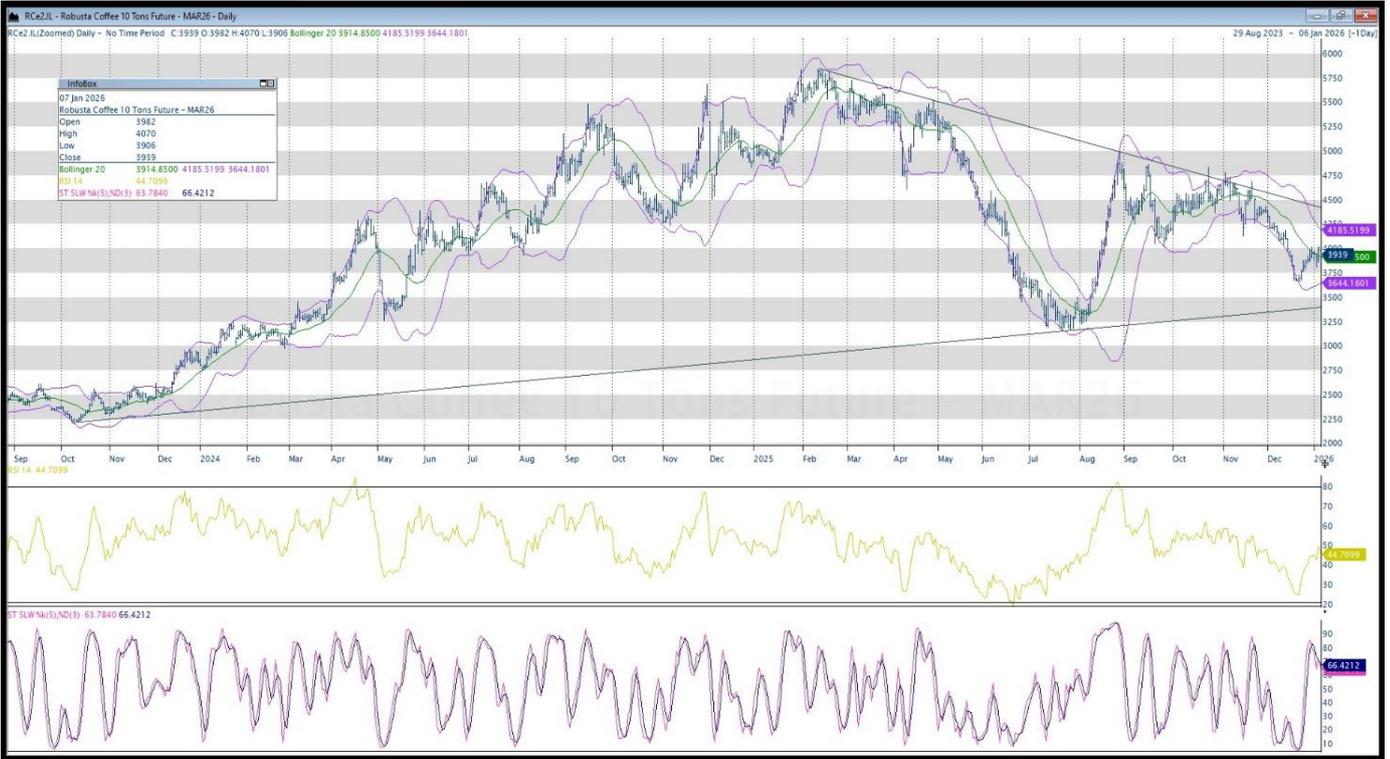


**LONDON ICE MARKET**



**LONDON ICE MARKET**

Position	Last	dif	High	Low	Settle
JAN26	4079	-78	4080	4080	4079
MAR26	3954	15	3954	3894	3939
MAY26	3888	12	3888	3836	3876
JUL26	3838	10	3838	3792	3828

**London ICE:**

Supports: 3865, 3750, 3610 & 3570-3555  
Resistances: 3925, 4005, 4075 & 4230

**NEW YORK**

Position	Last	dif	High	Low	Settle
MAR26	376,00	0,55	376,00	371,85	375,45
MAY26	355,40	0,35	355,40	351,50	355,05
JUL26	347,10	-0,15	347,15	343,75	347,25
SEP26	340,15	-0,45	340,15	336,90	340,60

**New York ICE:**

Supports: 368,50, 362,00, 356,25 & 342,75  
Resistances: 375,00, 386,00 & 415,00

**NEW YORK ICE MARKET**



**BRAZIL**

According to Dutch investment bank ING, Arabica coffee was one of the best-performing agricultural commodities in 2025. The sharp increase was due to unfavourable weather conditions in Brazil, which had a negative impact on the harvest of this variety. Low stock levels, combined with US tariffs on imports from Brazil, provided further support for prices. The sharp appreciation of the Real against the dollar last year should also be taken into account. At the same time, the recovery in production of conilon has contributed to a fall in Robusta prices, which nevertheless remain at very high levels.

Brazilian coffee exports are recovering. According to data from the Secretariat of Foreign Trade (Secex) exports in December totalled 3,504,683 bags, up 4.2% on-year. This is the first increase over the same month of the previous year since last March, Secex reports. However, this figure was slightly lower than the 3.54 million bags exported in November.

**VIETNAM**

2025 was a record year for Vietnam's coffee exports, which surpassed 1.5 million tons (25 million bags), marking a 16.9% volume increase compared to 2024, according to data released by the Ministry of Agriculture and Environment. Due to consistently high prices, exports reached an unprecedented value of \$8.4 billion, up 60.7% compared to the previous year. According to Deputy Minister of Agriculture and Environment Hoang Trung, 2025 marked a historic turning point for the Vietnamese coffee industry, with a consolidation of exports to key markets, such as the EU and the U.S., but also a rise in shipments to many new emerging markets, particularly Algeria and Mexico, which opens up further opportunities for expansion.

Nestlé is currently the largest buyer of Vietnamese coffee, purchasing 20-25% of Vietnam's production. The Swiss multinational operates the largest coffee processing plant in Southeast Asia in Vietnam's Dong Nai province, with advanced equipment for the production of both spray-dried and freeze-dried instant coffee. According to the Vietnam Coffee and Cocoa Association (VICOFA), Vietnam currently exports its coffee to over 80 countries and holds a 20% share of the global market, placing it second only to Brazil. In the 2025/26 harvest year, VICOFA expects export volumes to grow by a further 10%, thanks to an increase in production made possible by favorable weather conditions and renewed plantations.

Dry weather conditions prevailed in the Central Highlands of Vietnam over the weekend, helping harvesting and drying operations. The weather is expected to remain favorable throughout this week. According to local sources, there has been a sharp recovery in farmgate prices, which have risen to 95,200–97,000 dong (\$3.62–\$3.69) per kilogram compared to 88,700–90,000 dong last week. More beans are coming, and the market has turned upbeat in recent days. Vietnam would remain the sole Asian supplier of Robusta until Indonesia's mini-harvest begins in April next year.

**Indonesia** - Widespread flooding have affected about a third of the farms in northern Sumatra. Arabica crops were particularly hard hit, while damage to Robusta crops was more limited. According to the President of the Indonesian Coffee Exporters Association, the damage threatens to reduce the country's coffee exports by as much as 15% in the 2025-26 season.

**CENTRAL AMERICA / COLOMBIA**

**Colombian President** Gustavo Petro announced a historic 23.7% increase in the minimum wage by 2026, the largest in at least 25 years. With the adjustment and the transportation subsidy, the monthly income will rise from 1,623,500 to 2 million Colombian pesos, amidst a heated economic debate and just months before the start of the election season. Colombian agriculture is labor-intensive, with a high rate of informal employment and tight profit margins, especially in sectors like coffee, sugarcane, fruits, vegetables, and livestock. For Colombian agriculture, the challenge will be absorbing the impact of the wage increase without losing jobs or competitiveness, striking a delicate balance between improving rural incomes and sustaining food production.

According to preliminary reports, **Colombia** will close the 2025 calendar year with a production of 13.4 million bags of coffee. This is a significant amount in the international context, but over the last twelve months, production has fallen by 4.1% compared to the previous year. The strongest impact of this production decline will be felt in the coffee year that began last October, particularly in its first half (October-March). The heavy rains of the first half of 2025, which saw rainfall up to 50% above average, affected flowering and, consequently, fruit development, resulting in a production shortfall that can be preliminarily estimated at around two million bags. Recent data confirms this trend, as in the October–December quarter of 2025, production fell by 29.5% compared to the same period of the previous year, contrasting sharply with an exceptionally strong final quarter of 2024. For the 2026 calendar year, Colombia could reach a production of 12 million bags, slightly above the 2022 figures. In commercial terms, this means that the market will have approximately 11 million bags of Colombian coffee available for export.

**Nicaragua** – The 2025/2026 coffee harvest faces a complex scenario, marked by labor shortages and productivity decrease on farms. Given the current situation, producers have turned to social media to recruit workers, offering up to 120 córdobas per can of picked coffee, in addition to lodging, food, and transportation. Industry representatives point out that the Ministry of Labor (Mitrab) has not established wage scales for the harvest for years, forcing producers to compete with each other for available pickers. While the price of coffee is around US\$300 per quintal, allowing for better wages, the lack of workers and low yields could translate into losses of up to 40% on some farms, according to testimonies from producers in Jinotega.

**OTHERS**

**India** coffee exports exceeded the historic milestone of \$2 billion, reaching \$2.058 billion — a 22% increase compared to 2024. This was achieved despite a decline in volume of almost 4.5%, with exports falling to 384,589 tons (6.42 million bags) in 2025 compared to 402,526 in 2024, according to statistics from the Coffee Board of India. However, there has been an increase in the volume of Arabica and instant coffee exports. Exports are broken down with Arabica achieving 50,104 tonnes, Robusta 180,876, Instant coffee 153,086 & Roasted coffee 521. Italy remains the main destination market for Indian coffee, with exports reaching 60,688 tons (1.01 million bags) last year. Russia emerged as second largest buyer with exports of 31,505 tons (525,083 bags), followed by Germany (28,840 tons), the United Arab Emirates (21,173 tons), Belgium (19,871 tons) and Turkey (17,073 tons).

**DEMAND / INDUSTRY**

**Italy** – After years of disruption caused by the pandemic and volatile international markets, 2024 saw a period of consolidation within the coffee industry. Italian production in 2024 reached almost 431,000 tonnes, with volumes remaining stable (+0.6%) and production value increasing by 8.5%, equivalent to approximately €4.36 billion. The coffee roasting sector comprises approximately 1,000 companies nationwide, employing around 7,000 people directly. In 2024, the sector generated a total turnover of approximately €5.7 billion, with €2.6 billion coming from exports and €3.1 billion from domestic sales. Green Coffee imports in 2024 increased by 1.6% in volume, reaching approximately 703.500 tons, with a value of around 2.6 billion euros. Italy remains the world's third-largest importer of green coffee (after the United States and Germany) and the leading producer of roasted coffee in Europe, ahead of Germany and other EU countries.

The recently concluded **India–UK Comprehensive Economic and Trade Agreement** (CETA) marks a key milestone in bilateral trade relations. The pact offers tariff advantages for Indian value-added coffees, particularly instant coffee. The United Kingdom, which already accounts for 1.7 percent of India's coffee exports, will now provide duty-free access for Roast & Ground and instant coffee, enabling Indian exporters to compete more effectively with suppliers from Germany, Spain, and the Netherlands. The agreement establishes a robust foundation for increasing exports of value-added coffee products to the UK.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,16739	1,1683	1,1669

EUR/USD remains caught between competing monetary policy expectations and mixed macro signals, with price action exhibiting corrective characteristics following the December recovery phase. We see the ECB's data-dependent stance reinforced by euro area inflation stabilising at 2% in December, which removes any near-term tightening impulse and potentially opens space for cuts should disinflation deepen. By contrast, US macro remains noisy: labour data has softened at the margin, yet December ISM Services PMI jumped to a 14-month high, complicating the Federal Reserve's easing trajectory.

**ADDITIONAL COMMENTS**

The drought in Brazil and the typhoon season in Vietnam – combined with ongoing tensions over US tariffs and the imminent implementation of the EUDR – caused prices to rise sharply in November. New York soared to 422.70 cents on 11 November, while London peaked at \$4,693 on 2nd November. Improved production prospects, the lifting of US tariffs on coffee, and a new postponement of the European Union Deforestation Regulation (along with a commitment to further simplification) led to a decline in coffee market prices towards the end of the year.

**Rabobank** published new data indicating a small surplus of 152,000 bags for the 2024/25 season. In 2025/26, the surplus will grow to 1.55 million bags, while for 2026/27 a large production surplus of 8.64 million is expected, supported by a recovery in production in Brazil. This trend could push Arabica prices down by about a third in the last quarter of 2026. Analysts at the Dutch bank made a fundamental observation: "Agriculture is no longer playing only by supply-and-demand rules, it's also playing by geopolitical ones," Rabobank head of agri commodity markets research Carlos Mera said.

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