

**LONDON ICE MARKET**



LONDRES					
Posición	último	dif	alto	bajo	cierre
JAN22	2375	-60	2424	2366	2375
MAR22	2269	9	2273	2258	2260
MAY22	2216	5	2223	2210	2211
JUL22	2208	7	2213	2201	2201

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
MAR22	236,60	1,70	236,95	235,75	234,90
MAY22	236,60	1,65	236,85	235,60	234,95
JUL22	236,40	1,75	236,40	235,20	234,65
SEP22	235,75	1,55	235,75	234,20	234,20

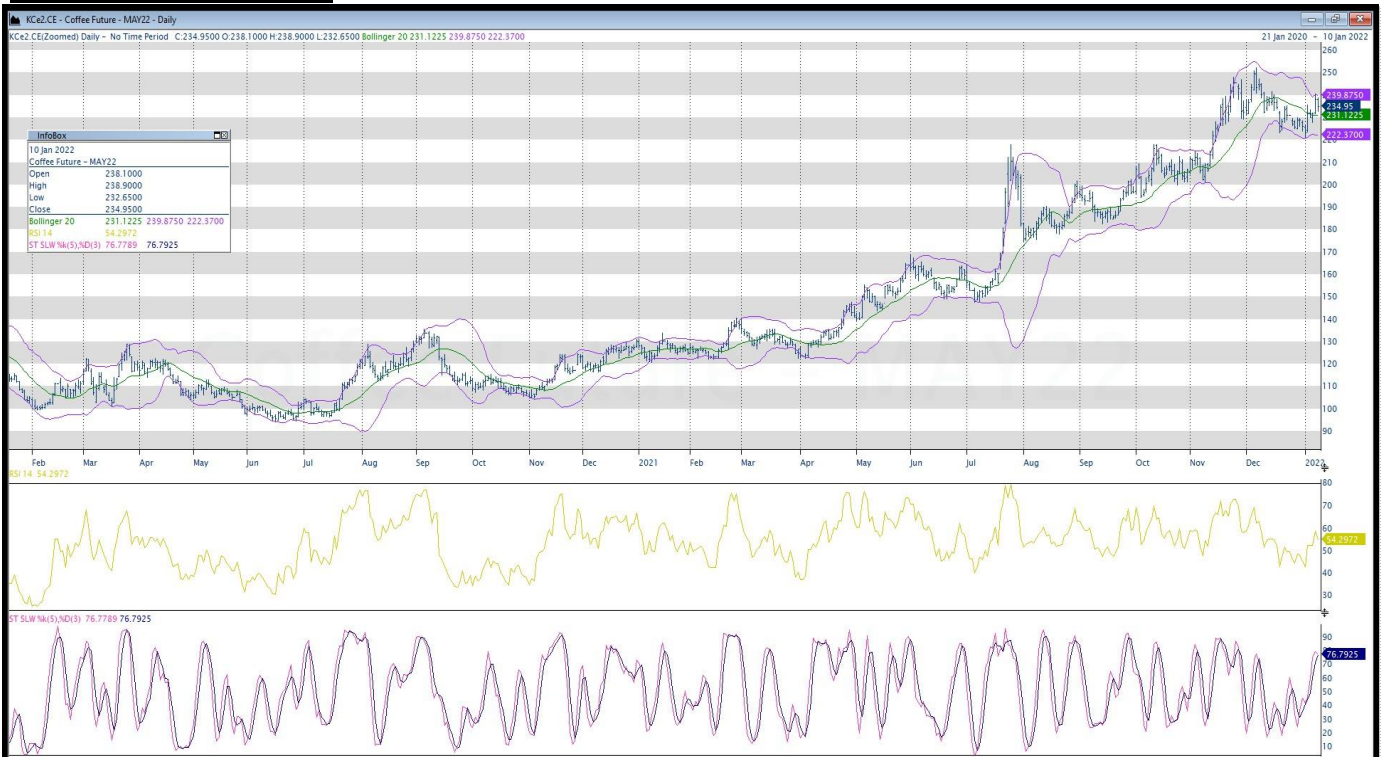
**London ICE:**

Supports: 2265 & 2190-2170  
Resistances: 2280, 2310, 2330 & 2355

**New York ICE:**

Supports: 234,50, 232,50 & 228,25-226,50  
Resistances: 239,50, 241,50 & 251,50-260,00

**NEW YORK ICE MARKET**



WEEKLY MARKET REPORT



**BRAZIL**

According to a report from Conab (Brazil's National Company for Food Supply) released in December, the volume harvested in 2021/22 totaled 47.7 million bags of 60 kilograms, 24.4% down from that in the 2020/21 season. On the other hand, according to the USDA, the harvest totaled 56.3 million bags, 19.4% down from that in the previous crop.

In the second semester of 2021, coffee prices rose even more sharply than in the first half of the year, majorly for arabica, influenced by concerns about supply and logistics worldwide. In Brazil, as we all know, a long drought and frosts during the Winter damaged arabica crops, which may result in a crop failure in the 2022/23 season (positive biennial cycle). With arabica prices at high levels, coffee roasters' demand for robusta increased all over the world.

Severe rains have flooded coffee fields and other crops in central eastern areas in Brazil during the last week, the latest in a climate roller-coaster for the nation's agricultural regions. The rains are more than four times the norm for regions north of Minas Gerais, the main coffee-producing area of Brazil. Unlike the other severe weather, however, the extra rain could ultimately improve soil conditions on coffee farms.

For the next five days there is still a forecast of frequent rain in coffee producing areas in the Southeast region of the country. The accumulations can reach 70mm between the south of Minas Gerais and north of São Paulo. Paraná should rain more extensively in the interior of the state, but without large volumes compared to other regions. Between Espírito Santo and the south of Bahia, the rain weakens over the next few days and the weather is steady again in these regions (Somar).

Brazilian coffee exports are likely to be hampered for months by the ongoing shortage of shipping containers that is having an impact on supply chains around the world, said Henrique Cambrá, the new president of the Brazil Specialty Coffee Association, or BSCA. According with Cooperative Cooxupé in Brazil, the flower bulbs are not sticking properly, eroding the potential of the 2022 crop. They revised down their output for the 2021 by near 20%, and they began to ship coffee using the big sacks to mitigate the lack of containers.

**VIETNAM**

The harvest in Vietnam is progressing well, and 85% is reported to be done and wide spread sunshine across the Highlands is supporting farmers' drying activities, adding to the prospects of some degree of pressure upon the London coffee market, which is coming from price fixation hedge selling on the part of exporters in Vietnam, as they build up new crop robusta coffee stocks. This is related to farmers' measured sales to build up cash resources with less than four weeks left, ahead of the weeklong Tet New Year (Year of the Tiger) celebrations, which kick off on the 1st February this year.

Coffee stock nearby HCMC bonded and non-bonded warehouses increased by 27% over the previous month reaching 217,450 tons of coffee, CAFECONTROL reported.

As per Phytosanitary Authority, Vietnam shipped 122,245 tons for December 2021 or 32% higher from previous month.

Around 2.2 million workers have left Vietnam's major cities including HCMC, returned to their hometowns over long-lasting pandemic impacts, the General Statistics Office (GSO) announced. However, worker shortages in several industries including textile and leather showed signs of recovery thanks to widespread vaccination coverage and the government's new strategy of adapting to Covid-19. For now, Vietnam is one of six countries with the highest vaccine coverage rate in the world, the Deputy PM Pham Binh Minh said.

Last week, Vicofa held a congress and elected a new Chairman, Mr Nguyen Nam Hai, who is standing CEO of Cafecontrol.

**CENTRAL AMERICA / COLOMBIA**

**Costa Rican** exports for the month of December climbed to 47,041 bags from 41,825 bags a year earlier according to the Costa Rican Coffee Institute. In the first three months of the 21/22 season started in October, exports slid to 82,128 bags from 88,674 bags. The institute expects output to drop.

The National Coffee Institute of **Honduras** (IHCAFE) have reported preliminary data shows that the country's coffee exports for the month of December were 91.10% higher than the same month last year, at a total of 386,806 bags. This they say has contributed to the cumulative coffee exports for first three months of the October 2021 to September 2022 coffee year to be 105.11% higher than the same period in the previous coffee year, at a total of 571,083 bags. This large increase in coffee exports reflected for the month of December likely due to the past year's lockdown as well as Hurricanes Eta and Iota which caused catastrophic infrastructural damage during the months of October and November last year. IHCAFE have revised their estimate upwards by 2.14% to now report that preliminary data forecasts that during the current October 2021 to September 2022 coffee year, the country is expected to export 5,822,066 million bags, or just 0.94% less than the previous coffee year. IHCAFE have likewise reported that Honduras exported 5,877,542 bags during the October 2020 to September 2021 coffee year.

**OTHERS**

**The Ethiopian Coffee and Tea Authority** announced \$525.6 million has been obtained in five months from the export of coffee, tea and spices. The amount exceeds the target set for the period by 43 percent. During the five months of the Ethiopian fiscal year that started on July 8th, the Authority stated, it had set a goal of exporting 114,335.63 tons of coffee, tea, and spices for \$367.56 million, and has ended up exporting 138,552.16 tons for \$525.6 million. The achievement exceeds the volume target by 21 percent, and the financial target by 43 percent.

**The Ivory Coast** as west Africa's leading robusta coffee producer, have reported country's cumulative coffee exports for the first three months of 2021/22 coffee year to be 151,433 bags or 79.23% lower than the same period last year, at a total of 39,700 bags. This relatively modest in comparison export performance is perhaps related to internal dynamics rather than an indication of problems with the new crop, which has been forecast in 1.40 million bags.

**DEMAND / INDUSTRY**

**Arabica certified stocks declined** 9,937 bags to 1,506,480 bags. Pending 3,445 bags. No grading on past Friday.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,1331	1,1352	1,1285

Federal Reserve officials said a strengthening economy and higher inflation could lead to earlier and faster interest-rate increases than previously expected, with some policy makers also favoring starting to shrink the balance sheet soon after.

In comments on Sunday, ECB member Schnabel stated that the central bank may have to act if energy price rises are more persistent. The Euro, however, was unable to gain further support and edged lower to around 1.1335 as the dollar resisted further selling while commodity currencies were generally mixed.

**ADDITIONAL COMMENTS**

The ICO reported world coffee exports fell 12.4% y/y in November to 9.25m bags from 10.56m bags a year earlier. Arabica exports fell 20.8% from a year earlier and Robusta exports were up 5.7% in the same period. Exports from Oct-Nov were down 8.8% from the same period a year ago to 18.87m bags.

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