

**LONDON ICE MARKET**



LONDRES					
Posición	último	dif	alto	bajo	cierre
MAY22	2096	21	2110	2052	2075
JUL22	2116	24	2129	2069	2092
SEP22	2124	25	2134	2077	2099
NOV22	2125	21	2136	2082	2104

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
MAY22	227,75	8,95	228,05	218,00	218,80
JUL22	228,30	8,85	228,90	217,60	219,45
SEP22	228,30	8,75	228,80	217,75	219,55
DEC22	227,75	8,65	228,20	217,30	219,10

**London ICE:**

Supports: 2100, 2085, 2075 & 2060  
Resistances: 2120, 2135, 2180 & 2200

**New York ICE:**

Supports: 226,00, 220,50 & 218,00  
Resistances: 231,75, 237,75 & 240,25

**NEW YORK ICE MARKET**



WEEKLY MARKET REPORT



**BRAZIL**

After a fast start of sales at the beginning of the year, the pace of future marketing of the 2022/23 cycle coffee harvest in Brazil was reduced due to the lower price environment, as assessed on Thursday by the local Safras & Mercado Agency. The early sale of coffee from the 2022/23 harvest reached 29% of the expected production until last Tuesday, an advance of only one percentage point compared to the previous month's survey. According to Gil Barabach, a consultant at Safras & Mercado, the rate of sales has slowed down a lot, reaching current commitments falling below those of the same period last year, when sales (forecast from the previous harvest) were at a 31% at this point.

According to Cecafé, Brazil exported 3.622 million 60-kg bags of coffee in March 2022, a volume 6% lower than in March 2021. In addition, according to Cecafé's monthly report, Brazil exported 19% less coffee to Russia in the first quarter of the year, moving the country down from 6<sup>th</sup> to 8<sup>th</sup> place in the ranking of importers.

Good rains in South Minas, accumulated running above the average since beginning the year, which shall bring some improvement for milling yields. Nevertheless, from now on rains should slow down or cease in order to avoid damaging the quality.

Logistics still chaotic with cut-offs changing all the time, bookings not getting confirmed and depot not releasing containers.

The local market has stalled. Supply continues to be reduced in this final stretch of the 21/22 crop. The demand for Arabica consumption is non-existent and the local industry has directed almost all its interest to Conilon to meet their needs.

Bloomberg reported that bottlenecks with China's inland transportation have started to cause maritime transit delays as cargoes accumulate in depots and warehouses including those at sea terminals amid a new wave of lockdowns and Covid-19 outbreaks. Finally, it was reported that at least 11 vessels carrying 364,500 tons of fertilizers left Russian ports on route to Brazil after the war in Ukraine began on Feb 24<sup>th</sup>, according to line up data compiled by Agrivest.

**VIETNAM**

Trade in Vietnam's coffee market was hit by a lack of beans at the end of the crop season, while prices dipped in Indonesia on rising supplies and low demand. Farmers in the Central Highlands sold coffee at 40,300-41,000 dong (\$1.77-\$1.79) per kg, little changed from last week's 40,500-41,500 Dong range. The scarcity is the reason that is keeping prices from falling.

Vietnam exported 72,358 tons of coffee during the first half of April, up 12.35% in volume and 37.51% in value over the same period last crop, according to freshly revised data from Customs Authority.

**CENTRAL AMERICA / COLOMBIA**

**Guatemala** exports increased in March with shipments seen 7.6% higher y/y at 425,200 bags according to the Guatemala National Coffee Association.

**OTHERS**

**Uganda** announced total coffee exports for the month of March fell 16% y/y to 478,023 bags following a poor harvest driven by drought in some robusta regions. Arabica exports increased due to the on cycle.

**DEMAND / INDUSTRY**

The data published by the Green Coffee Association (**GCA**), showed coffee stocks in warehouses in all ports of the United States totaled 5,820,298 bags for the month ending March 31st, 54,950 Higher than the previous month. Green coffee stocks in the United States had fallen for six consecutive months previously amid a global supply tightness due to weather issues in producing countries such as Brazil and a container shortage that hampered beans' transportation.

The **USDA** said that China's purchases of coffee from other countries is expected to increase by 5% y/y to 4m bags of green coffee. Domestic Chinese production is forecast lower at 1.75m bags.

Italian coffee maker **Lavazza** said on Wednesday it expected a difficult 2022 due to raw material price rises after reporting a strong increase in profits for 2021. The family-owned company said it had decided to suspend all its activities in Russia on March 10, adding it had also had to temporarily halt distribution in Ukraine. Earnings before interest, taxes, depreciation, and amortization (EBITDA) came in at 312 million euros (\$338 million) in 2021, up 23.3% on 2020. Revenues increased 11% to 2.3 billion euros last year, also thanks to a recovery in the "out of home" channel after the slowdown caused by the COVID-19 epidemic, when lockdowns kept people at home.

**Nestle** reported growth in Q1 from higher demand for coffee, pet food & confectionary despite price hikes.

**Arabica certified stocks rose** by 11,575 bags to 1,092,133 bags. Pending certification fell 9,275 to 46,608 bags. A total of 14,275 bags were graded, 13,175 were accepted and 1,100 failed.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,08335	1,09364	1,08239

The dollar rose on beginning this week to a fresh 20-year high against the Japanese yen and tested a two-year peak against the euro, supported by high U.S. Treasury yields. Policy divergence between the Fed and low-yielding central banks (European Central Bank, Bank of Japan) continues to argue in favor of USD strength.

Latin American currencies were mixed. The Colombian peso weakens to 3,759 pesos to the dollar, depreciating 10.7 pesos to the dollar. The Brazilian Real gains slightly to trade at R4.6209.

**ADDITIONAL COMMENTS**

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