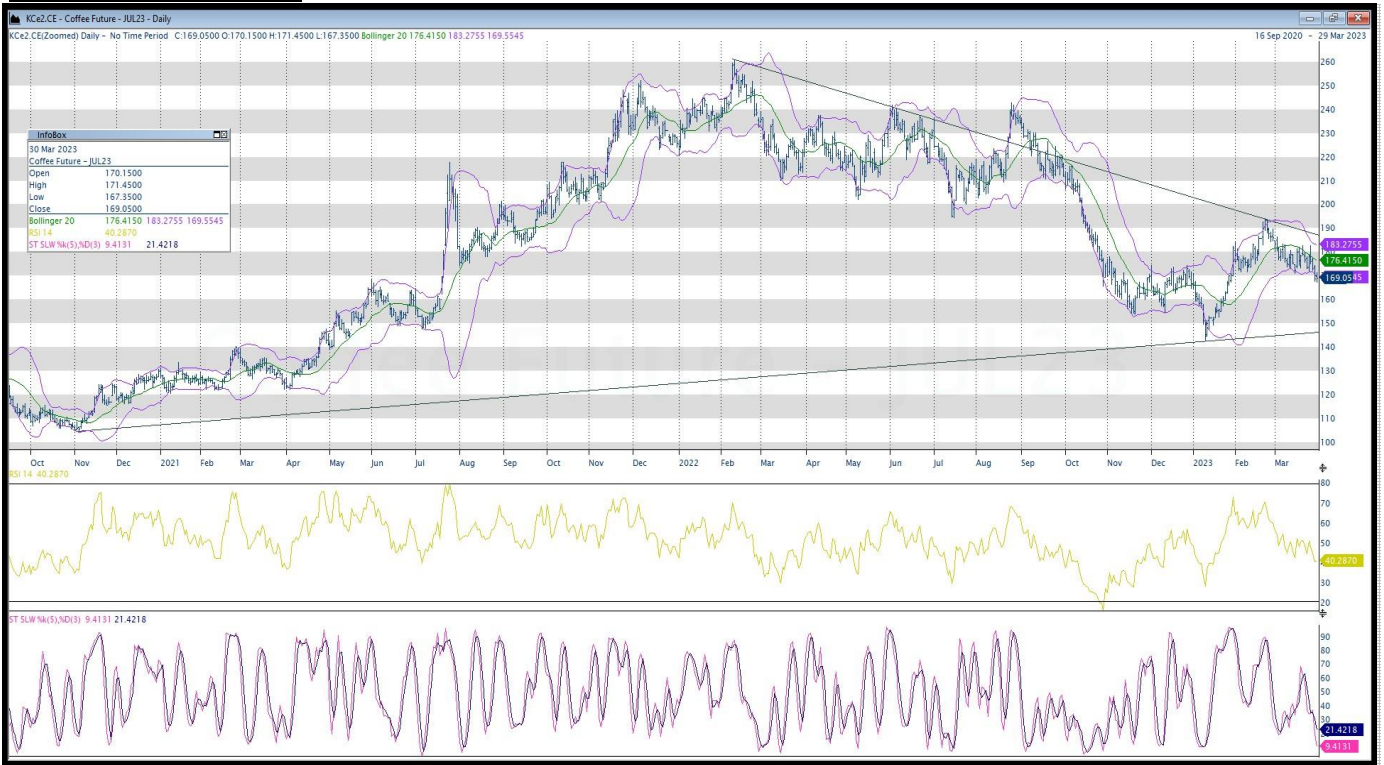


**LONDON ICE MARKET**



LONDRES					
Posición	último	dif	alto	bajo	cierre
MAY23	2222	52	2224	2176	2170
JUL23	2172	39	2173	2139	2133
SEP23	2134	34	2134	2106	2100
NOV23	2095	31	2098	2071	2064

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
MAY23	170,20	0,50	172,50	168,15	169,70
JUL23	169,40	0,45	171,45	167,35	168,95
SEP23	168,10	0,35	169,95	166,15	167,75
DEC23	166,95	0,40	168,60	165,00	166,55

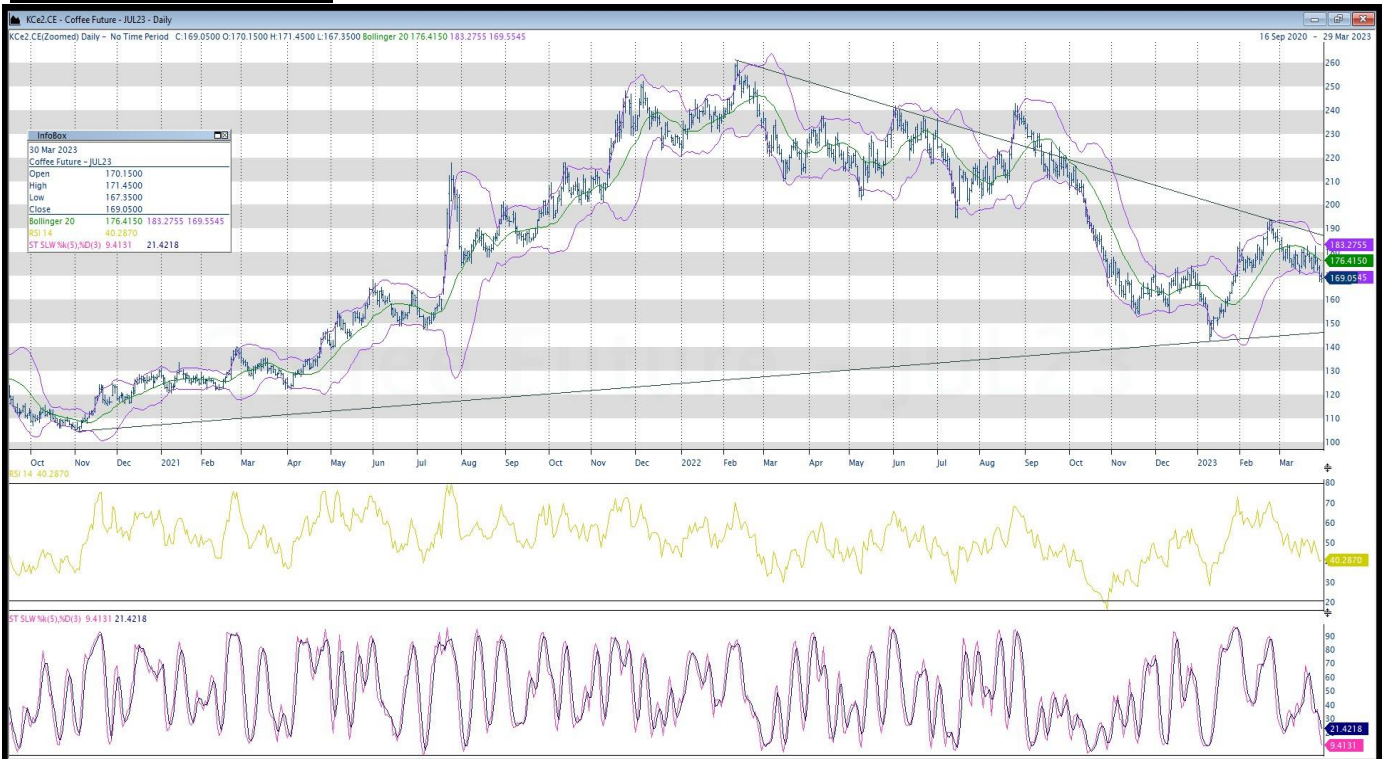
**London ICE:**

Supports: 2160, 2110 & 2100  
Resistances: 2185, 2215, 2250 & 2285

**New York ICE:**

Supports: 169,00 & 162,50  
Resistances: 171,65, 175,25, 180,25 & 185,35

**NEW YORK ICE MARKET**



WEEKLY MARKET REPORT



**BRAZIL**

Rabobank revised their Brazil estimate down by 1.3 million bags. They revised their Arabica production number down from 44 to 42.7 million bags, citing heavy rainfall increasing disease and showed a Robusta projection of 23.3 million bags.

The coming Brazil July 2023 to June 2024 coffee crop has been estimated by independent forecasters at an average of 63 million bags, this is a cyclical lower year in the biennial bearing cycle, but nevertheless on par year on year. This, while the new crop is shortly due to begin harvest during April/May in the Conilon Robusta areas and, later in the year, in the Arabica producing areas.

The internal market within Brazil has continued muted pace, current crop coffees are slow to be released to the market and this, in a measured pace as well financed producers are reticent sellers, with the ability to hold onto remaining coffees.

According to weather forecast models, temperatures above average are expected in all coffee regions during the last week of March. The warm air mass that has been predominant in the Southeast region for over 30 days will continue to block the arrival of cold fronts.

The Brazilian Central Bank, which kept the Selic rate at the same levels of 13.75%, reduced the possibility of cuts in the first half of the year and showed the possibility of new adjustments if inflation is not moving towards the expected target.

**VIETNAM**

Trade within Vietnam is slow with internal price resistance evident, as producers are reluctant to release what little coffee stocks remain. The prevailing inverted market structure continues to present challenges for exporters and other industry players, who utilize the futures market to finance the carry of stocks.

Vietnamese coffee exports for the month of March rose to 230,000 tons (up 9.2% y/y vs 210,600 tons a year earlier). YTD exports were seen down 1.6%.

Coffee production in Indonesia, the world's fourth-biggest producer and main competitor of Vietnamese robusta beans, may drop to 9.6 million of 60kg bags this year from 12 million in 2022 as heavy rain persists since January, according to Association of Indonesian Coffee Exporters and Industries. Farmers are expecting consistent sunlight April-May to get good harvest at peak time in May-June, the association's head of downstream coffee industry. Exports of the beans may drop to 250,000 tons this year from about 320,000 tons in 2022.

**CENTRAL AMERICA / COLOMBIA**

Starbucks Foundation, TechnoServe launch Mujeres CAFÉ in Peru. Mujeres CAFÉ aims to develop personal effectiveness, collective agency, and communication skills among women in coffee farming communities, using climate change resilience as a focus for collective action. Working with six producer organizations, the initiative will implement locally adapted women's leadership training for 1,300 women in the community.

**OTHERS**

Kenya - Prices generally remain soft due to slow overseas demand. Rains continue in fair amounts which are good for the next main crop that has flowered and for the last phase development of fly crop that is to be harvested in May. Kenya's green coffee beans export volume fell by 14% on-month in January, the country's national bureau of statistics said late Wednesday. The volume of coffee sold fell to 1,921 metric tons to overseas markets in January from 2,224 tons in December, the statistics bureau said in its monthly economic indicators report. The coffee beans sold fetched a total 1.22 billion Kenya shillings (\$9.2 million), compared with KES1.42 billion in December, it said.

Ethiopia - The shortage of containers looks to worsen over the coming weeks as the peak season for shipments approaches. The situation does not look like it will ease any time soon as imports remain very limited due to a lack of forex. Rains have eased off in Addis and although make stuffing and transport from upcountry harder should not create any prolonged delays.

The Ivory Coast have reported that their provisional coffee exports for the month of February were 32.22% lower than the same month last year. This has contributed to their country's cumulative coffee exports for the first five months of the October 2022 to September 2023 coffee year to be 267.80% higher than the same period last year, at a total of 256,233 bags. The median estimate forecast for the current 22/23 production coffee year is anticipated to reach 1.05 million, 6.67% lower than the previous 21/22 coffee year.

**DEMAND / INDUSTRY**

Within the context of global coffee consumption, evidence of the potentially negative inflationary impact on cost of living is contributing towards increasingly conservative buying activity within developed coffee consumer markets. The already price sensitive, mature coffee markets in Europe; that is collectively the largest coffee consumer market, at an average 43.50 million bags per annum; has seen individual brand and private label products continue to compete on the supermarket shelf for market share and within the aggressively competitive environment, with price the only value proposal available and despite the continual increase in overall cost of production within the now inflationary economic environment. These factors are likely to encourage price sensitive and flexible in terms of blend recipe consumer market, roasters, to move toward increased intake of lower priced coffees. The wide arbitrage between arabica and robusta coffee is a component in the apparent increase in allocation of discount robusta coffee within these price sensitive consumer markets.

McDonalds announced they were to increase prices in the UK – their black/white coffee is going up by 20p from 99p to £1.19

The Certified washed Arabica coffee stocks held against the New York exchange were seen to remain unchanged yesterday, to register these stocks at 747,853 bags, with 96.39% of these certified stocks being held in, Europe at a total of 720,861 bags and the remaining 3.61% being held in the USA at a total 26,992. Of this, a total 346,398 bags, or 46.32% of the coffees registered and stored in consumer country certified warehouses of the exchange, Brazil washed arabica, and a further 49.90% of these certified coffees, originating from Honduras.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,09043	1,09263	1,08238

Despite signaling that the cycle of US interest rate increases could be nearing its end, Federal Reserve (FED) Chairman Jerome Powell said after the statement that inflation remains very high, and the labor market remains strong, so new increases in interest rates may be necessary.

**ADDITIONAL COMMENTS**

New scientific research investigates inflammation and insulin resistance in habitual coffee drinkers to understand how coffee may reduce the risk of type 2 diabetes (T2D), mediated by inflammatory biomarkers in the body. Drinking just one additional cup of coffee per day was associated with a 4-6% lower risk of T2D among participants in two large prospective cohort studies, which was partly explained by lower levels of inflammation. Experts consider consuming up to 400mg of caffeine (3-5 cups of coffee) per day to be a moderate and safe amount for most adults.

Gregory M. Marcus, an author of another study and a professor of medicine in the division of cardiology at the University of California at San Francisco said that the reality is that coffee is not all good or all bad, but it has different effects. Anyway, this study suggests that coffee consumption is almost certainly generally safe. The study showed that coffee has a positive effect on physical activity. Coffee lovers, on average, tend to walk 1000 extra steps a day. This might be one of the major reasons why coffee consumption has been associated with a longer life and a better health.

30/03/2023 18:20



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