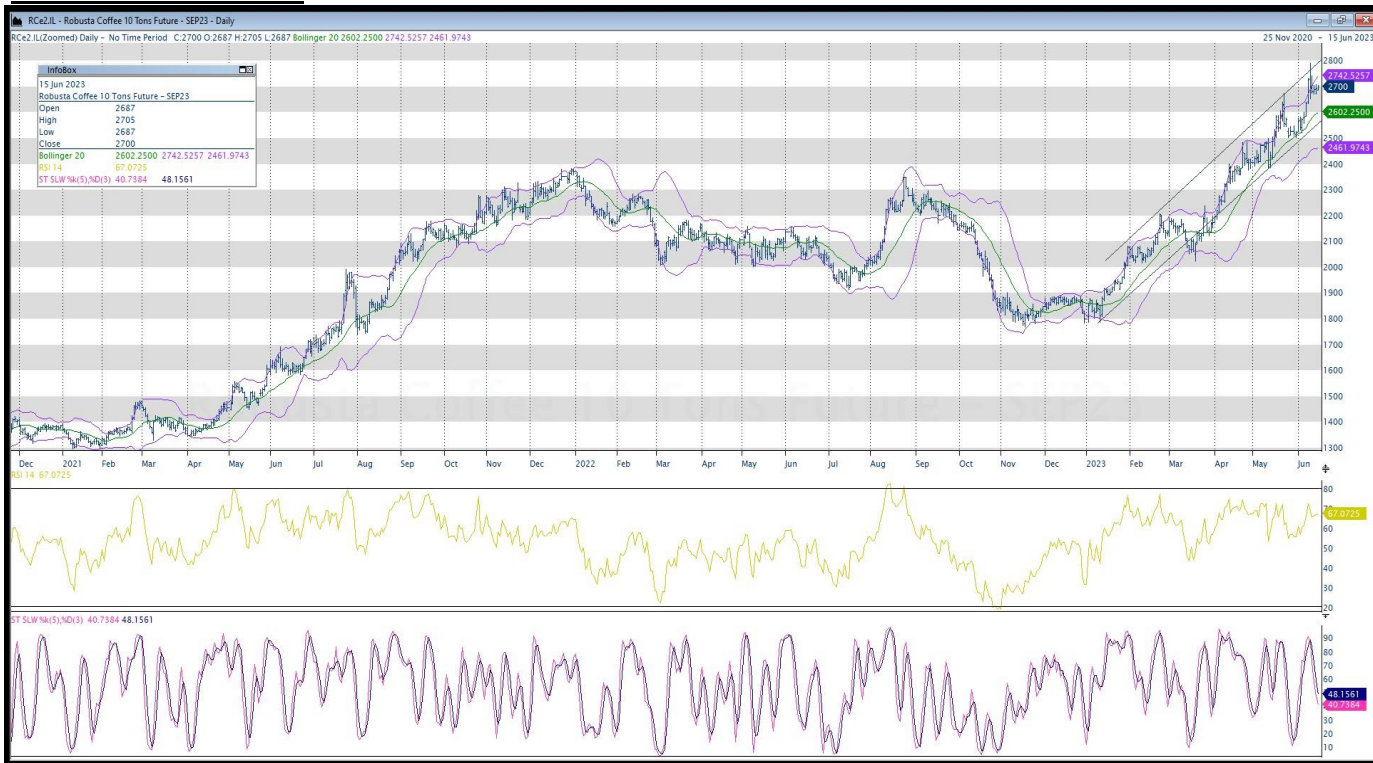


LONDON ICE MARKET



LONDRES					
Posición	último	dif	alto	bajo	cierre
JUL23	2755	30	2757	2726	2725
SEP23	2713	19	2715	2687	2694
NOV23	2631	19	2631	2603	2612
JAN24	2553	14	2553	2538	2539

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
JUL23	185,65	1,25	186,10	184,70	184,40
SEP23	181,20	1,05	181,65	180,10	180,15
DEC23	179,45	1,10	179,90	178,40	178,35
MAR24	179,40	1,00	180,00	178,45	178,40

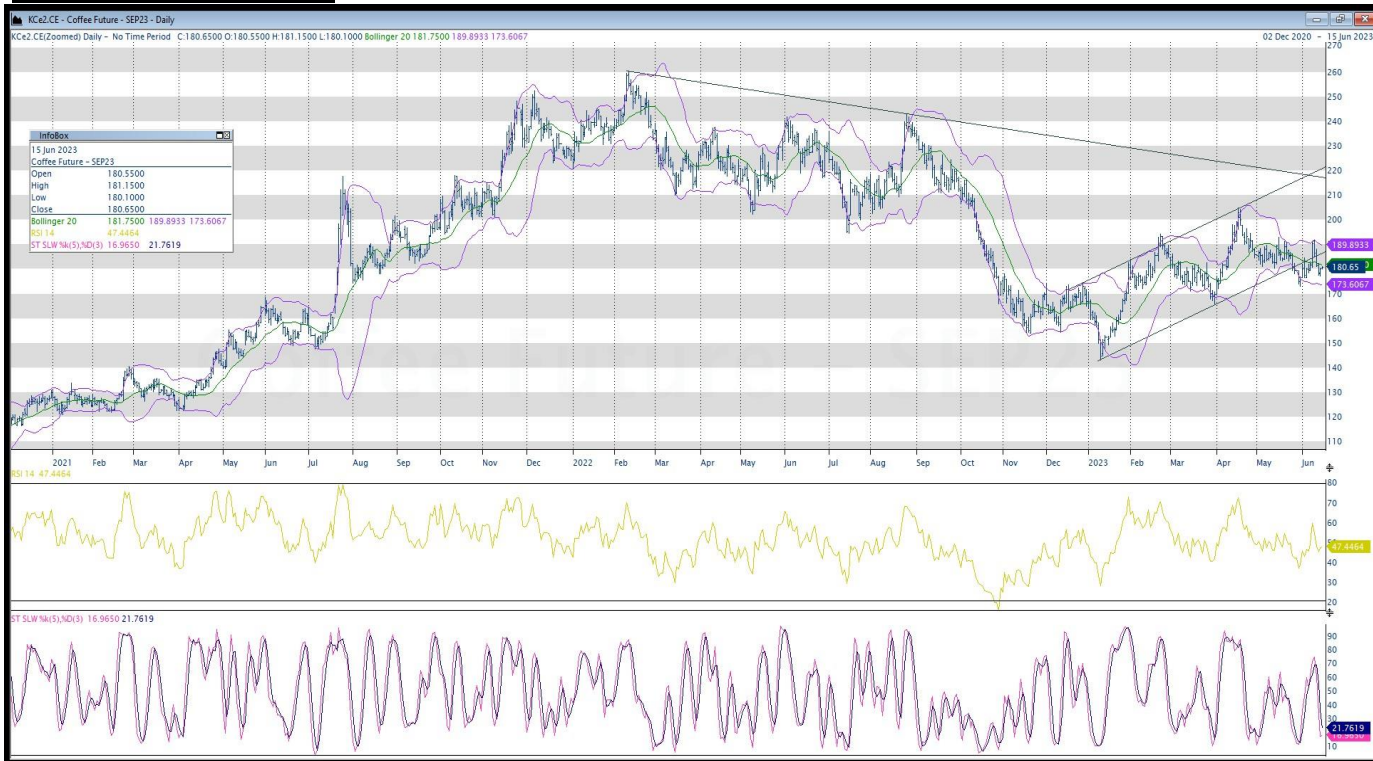
London ICE:

Supports: 2615, 2585 & 2465
Resistances: 2675, 2750, 2775 & 2790

New York ICE:

Supports: 174,20, 176,75 & 173,25
Resistances: 186,50, 191,50 & 201,75

NEW YORK ICE MARKET



WEEKLY MARKET REPORT



BRAZIL

Cooxupe said this week that the 2023 harvest, in the areas where it operates, is progressing at a good pace, ahead of previous years. According to Cooxupe, harvest has been completed in 17.09% of the fields managed by associated farmers in the States of Minas Gerais and Sao Paulo. In comparison with same time last year, it's 9.55% more, thus the quickest pace since 2019. The co-operative said field work has been quicker mainly because the fields had a more concentrated flowering period last year, which led to a more uniformed maturing stage for the coffee berries.

On the contrary, exporters association Cecafe said on Tuesday that Brazil shipped 2.1 million bags of green coffee in May, 20.4% less than a year earlier, hampered by a delay in harvesting. Cecafe's president, Marcio Ferreira, said the delay in the Brazilian coffee harvest and the low supply from past crops resulted in May's smaller shipments.

USDA sees Brazil's coffee crop at 66.4 million bags in 2023/24. Arabica production is projected at 44.7 million bags, an increase of 12 percent from the previous season estimates of 39.8 million bags. Most of the producing areas are in the negative year of the biennial production cycle, but rainfall volumes have been mostly favorable in all growing regions since December 2022.

High volumes of rain are forecast between Rio Grande do Sul, Santa Catarina, Parana, São Paulo and Mato Grosso do Sul. These rains that hit the center-south of the country should briefly paralyze the activities of harvesting and drying coffee beans. Apart from the advance of the cold front, an air mass of polar origin is advancing through the South of South America and is already responsible for very low temperatures over Rio Grande do Sul past Monday. Anyhow, the risk of frost in the Southeast of the country is very low. The phenomenon can even occur in the mountainous regions between São Paulo and the South of Minas Gerais, but in an isolated and weaker form.

Brazilian economists have reduced their long-term inflation expectations, putting an end to months of unchanged projections that the Central Bank had cited as a cause for concern. According to the median forecast of a weekly central bank survey on past Monday, 2025 inflation projections now stand at 3.9%. The Central Bank has consistently expressed concern about increased inflation expectations for long-term horizons to justify for the need to keep the benchmark interest rate at a 13.75% cycle-high, which has remained steady since September despite cooling inflation.

VIETNAM

Robusta coffee traders in top producers and exporters in Vietnam are holding onto stocks, exacerbating a supply shortage that has pushed benchmark London futures to record highs. The shortage, traders told Reuters, has resulted in near-dated Robusta futures trading at a premium to far-dated ones, an inverted market structure that rewards speculators for buying long positions, or bets on future price rises. The structure, in other words, is tempting speculators to hold onto their bets or double down and expand them, leading Vietnam-based traders at top global trade houses to balk at selling in the belief that even higher prices are on their way. It's difficult to see why prices would drop now. We're in a flat to deficit year, coffee in Vietnam is in very strong hands and farmers there have sold out. The funds are not going to start selling anytime soon, for them it's perfect, they make money every time they roll their position.

The US Climate Prediction Center last week confirmed the start of El Nino, which often brings hotter and drier weather to major Robusta growers like Vietnam and Indonesia. The return of the weather phenomenon could exacerbate tight supplies.

CENTRAL AMERICA / COLOMBIA

Workshop presents results of robusta testing in **Colombia's** Meta province. According to the researcher, the investigation has introduced 17 canephora coffee genotypes previously evaluated successfully in Asian and Central and South American countries. The researcher Diego Alejandro Salinas emphasized that the objective is not to replace Arabica coffee but to expand the production regions and the market and increase the availability of raw materials for the industry that requires a stronger flavor suitable for blends and lyophilized products. Robusta coffee production is expected to support the supply of the national industry in the future.

OTHERS

Uganda - Fly crop harvests in Upper central and Northern regions had a very low production for April/May harvest. Anyways, in the positive side, Robusta growing regions are currently receiving near normal-above rainfall levels. If rainfall remains in line with seasonal averages, we hope for a much-improved crop by the end of the year. In that case, 23/24 coffee year will again see growth in production.

DEMAND / INDUSTRY

Intercontinental Exchange plans a traceability service to help cocoa and coffee firms comply with the new EU law preventing the import of commodities linked to **deforestation**. The law, expected to come into effect around end-2024, will require companies selling commodities in the European Union to produce a due diligence statement and verifiable data proving their goods were not grown on land deforested after 2020.

QUOTATION EURO / US DOLLAR

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,0843	1,08449	1,0804

The Fed released the latest set of economic projections with most attention on the forecasts for the Fed Funds rate. The end-2023, forecast was raised to 5.6% from 5.1% previously with the end-2024 forecast increased to 4.6% from 4.3%. A majority of committee members expect that rates will be increased again this year. Fed Chair Powell stated that nearly all policymakers view some further rate hikes this year as appropriate and that the labor market remains very tight. He added that a pause is a continuation of moderating the pace of rate hikes. Powell's comments added an element of uncertainty and the dollar retreated from initial highs with the Euro recovering after testing the 1.0800 area.

ADDITIONAL COMMENTS

ICO average monthly price of Robustas reaches 28-year high. Average prices for all group indicators decreased in May 2023, with the Robustas being an exception and gaining 5.9% averaging 2.700 US\$/ton. The average monthly price of Robustas reached its highest since August 1995, where it averaged 2.870 US\$/ton.

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