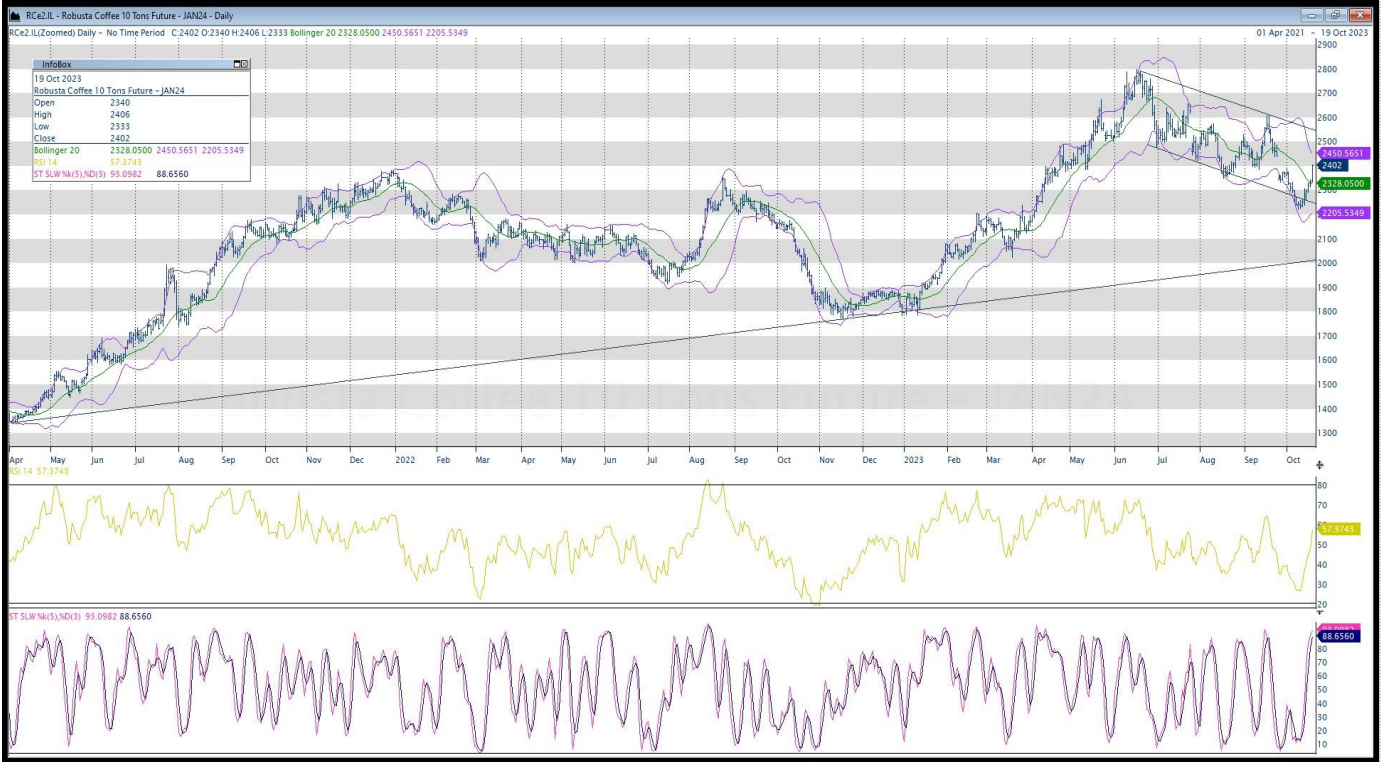


**LONDON ICE MARKET**



LONDRES					
Posición	último	dif	alto	bajo	cierre
NOV23	2500	79	2500	2424	2497
JAN24	2402	67	2406	2333	2402
MAR24	2338	55	2347	2279	2343
MAY24	2314	55	2314	2253	2314

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
DEC23	164,20	6,15	164,30	158,15	163,95
MAR24	162,00	4,35	162,15	157,45	161,80
MAY24	161,95	3,90	162,05	157,95	161,75
JUL24	162,20	3,60	162,40	158,55	162,15

**London ICE:**  
Supports: 2450, 2410 & 2385  
Resistances: 2475, 2495, 2545 & 2610

**New York ICE:**  
Supports: 147,50 & 143,00  
Resistances: 153,50, 157,95 & 167,50-168,00

**NEW YORK ICE MARKET**



WEEKLY MARKET REPORT



**BRAZIL**

The Brazil Conilon robusta and arabica harvest is complete and estimates of this crop coming in at a median average 22 million bags Conilon robusta and 44 million bags of mostly, natural arabica coffee. Well financed producers are seen to be holding back from the market and selling at a measured pace. The Brazil Real is steady in the week of trade with limited encouragement to Brazil farmers to release coffee, the internal market is relatively subdued. With the current Brazil harvest complete, the weather reports from Brazil, forecast good rainfall to fall across the major coffee growing regions over the next few days. Weather forecasters are indicating that more intense rains are due to reach certain regions of the coffee belt early next week.

Brazilian coffee exports fell in September as growers held back from selling amid low prices for the arabica variety of beans, according to exporters group Cecafe. Brazilian coffee exports fell in September as growers held back from selling amid low prices for the arabica variety of beans, according to exporters group Cecafe. Exports of ground, roasted and soluble coffee fell 15.9%, to 268,683 bags, Cecafe said.

Exporters are reporting delays in coffee shipments due to a tight availability of trucks and containers, while loading waiting times for vessels have jumped, resulting in additional costs for traders and delays for the commodities to reach destinations. Brazil ports have been dealing with high volumes this year, but rains in the south and the diversion of cargoes from northern ports to Santos port as a drought cut the Amazon River's water levels added pressure to the system. According to shipping data provider Datamar, container use for sugar exports jumped 86% in the year through August versus the previous year, while the number of containers used for coffee fell 5%.

**VIETNAM**

Trading activities in Vietnam stayed dull this week with premiums remaining high as supply from the new season is not available until next month. Farmers in the central highlands, Vietnam's largest coffee-growing area, were selling beans for 63,000-63,800 dong (\$2.56-\$2.60) per kg, higher than last week 62,000-63,000 dong range. Farmers have started picking some ripen beans, but supplies were still limited, traders said. Cherry-picking activities will only robust from next month.

Initial harvesting this week has been disrupted in Gia Lai due to continued rains. Some forecast for "harvesting 2 weeks earlier YoY" does not stand and on the opposite, harvesting could be delayed further by rains and typhoons, cyclones.

Coffee cherries in Dak Nong province, tuned yellow and about 15-20% already ripe. It is expected that more harvesting will be done in 2 weeks.

Vietnam exported 17,838 tons of coffee exported in first half October 2023, compared with 39,403 tons the same period last crop. Full month October 2022, the country did 85,403 tons, reported Customs authority.

Vietnam's Intimex Group has started an expansion of its instant coffee plant that will double production capacity to 8,000 tons/year, Chairman Do Ha Nam said, without providing a timeframe or value of the development. The plant, located in Binh Duong province, reached its full capacity of 4,000 tons/year earlier in

**CENTRAL AMERICA / COLOMBIA**

**Colombia** produced 849,000 60-kg bags of washed arabica coffee in September, up 1.8% on output in the same month last year, the national coffee federation said on Wednesday. Production in September last year hit 834,000 bags. The Andean country is the leading supplier of washed arabica coffee and has seen repeated recent falls in monthly production on lower temperatures that have damaged flowering. Exports in September rose 1.3% to 827,000 bags, from 816,000 bags in the year-earlier period. Colombia's coffee production fell 12% to 11.1 million 60-kg bags in 2022, the lowest since 2013 and well below the federation's estimate of about 12 million bags for the year.

**The Colombia and Central American harvests** are set to begin and while the hurricane season has abated across the Gulf of Mexico, there are regions in Colombia that are following the excessive rainfall for around eighteen months of La Nina weather, are preparing for the forecast drier weather that the converse weather phenomenon, El Nino may bring with it. Reports are positive for soil moisture retention and the current main crop harvest that is underway, there are some who foresee that El Nino may bring with it, drier weather ahead of the mitaca, or mid-year coffee harvest in 2024.

**OTHERS**

**Ethiopia** - Harvest has been slow progressing with coffee flow hampered despite lower cherry prices which remain between 25-35 birr/kg. There is a general sentiment circulating that this crop will be bigger than the last, but no solid evidence has been presented. Access to finance remains very difficult and exporters are still stretched to clear stocks as Export prices are not coming down. Minimum prices are unchanged. Forex becomes a bigger issue daily as the IMF seems to be slow to release funds.

**DEMAND / INDUSTRY**

**The northern hemisphere main coffee consumer markets** in Canada, Europe, Japan, United Kingdom and United States of America, which collectively consume around 92.50 million bags of coffee per annum are gearing up for winter months ahead, with some indication that there could be a traditional increase in consumption over the winter months. This would be a boost to an otherwise lackluster consumer market environment that has endured economic slowdowns of various degrees, within inflationary and interest rate increases that have taken a toll on access to consumer expendable income and more conservative consumer behavior. Although coffee is traditionally considered to be somewhat price inelastic within these markets, the competition for the narrowing slice of spend capacity by consumers, has led to ever more aggressive price competition in the retail supermarket environment. This, in coffee terms continues to play a part in blend quality leniency, the prevailing 2023 parsimonious consumer purchasing, and consumption behavior has encouraged supermarket and retail outlets within these markets to continue to seek price advantage against competitor stores and brands, at the cost of quality.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,05981	1,06166	1,05283

U.S. retail sales increased more than expected in September as households boosted purchases of motor vehicles and spent more at restaurants and bars, suggesting the economy ended the third quarter on a strong note. Retail sales rose 0.7% last month, the Commerce Department said on Tuesday. Data for August was revised higher to show sales advancing 0.8% instead of 0.6% as previously reported.

**ADDITIONAL COMMENTS**

**The USDA Foreign Agricultural Service** forecasted in its June biannual report, released on June 22, that world coffee production in 2023/24 will increase +2.5% y/y to 174.3 million bags, with a +6.9% increase in arabica production to 96.3 million bags, and a -2.4% decline in robusta production to 78.0 million bags. USDA FAS forecasts that 2023/24 Brazilian coffee production will rise by +14.5% to 67.9 million bags, while Vietnam's 2023/24 production will fall -3.5% to 30.2 million bags. USDA FAS forecasts that 2023/24 ending stocks will edge higher by +0.8% to 31.8 million bags from 31.6 million bags in 2022-23.

Illustrating a tight coffee supply picture in 2022/23, **the ICO said** the global 2022/23 coffee market deficit widened to -7.3 mln bags from a -7.1 mln bag deficit in 2021/22. ICO reported that 2022/23 global coffee production increased +1.7% y/y to 171.27 mln bags, but that 2022/23 global coffee consumption increased +1.7% y/y to a larger 178.53 mln bags.

**The latest Commitment of Traders report** from the New York arabica coffee market has seen the shorter term in nature Managed Money fund increase their net short position by 9.95% within this market over the week of trade leading up to Tuesday 10th. October 2023; to register a new net short position at 29,418 Lots. The longer term in nature Index Fund sector of this market posted a marginal decrease their net long position by 1.49% within the market, to register a new net long position of 42,949 Lots on the day. Over the same week, the Non-Commercial Speculative increased their net short position by 8.91% within the market over the week of trade leading to Tuesday 10th. October 2023: to register a new net short position of 24,406 lots, which is the equivalent of 6,918,992 bags. This net short position has most likely been little changed following the period of mixed but overall sideways trade that has since followed.



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