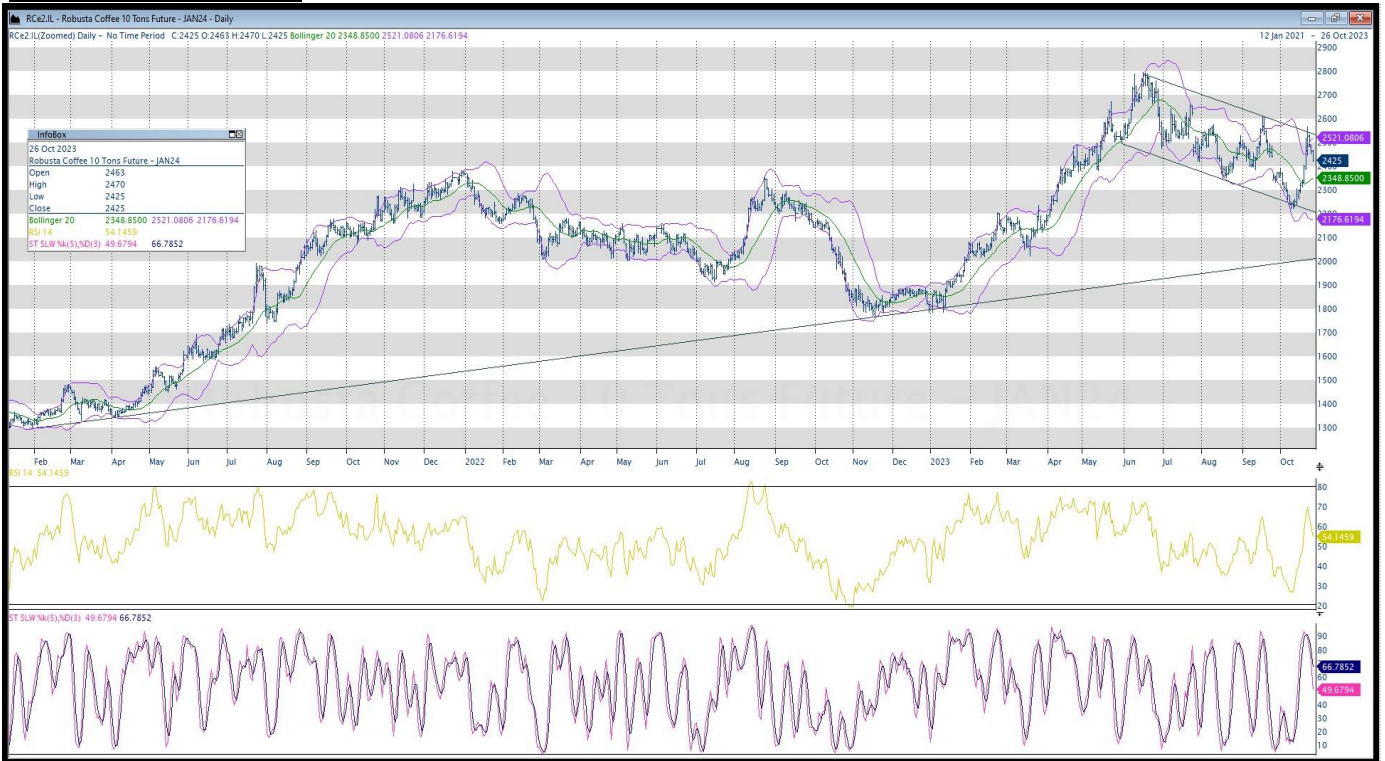


LONDON ICE MARKET



LONDRES					
Posición	último	dif	alto	bajo	cierre
NOV23	2608	77	2608	2535	2594
JAN24	2422	-45	2470	2400	2420
MAR24	2390	-37	2423	2364	2385
MAY24	2370	-40	2404	2347	2367

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
DEC23	161,65	-0,65	163,60	160,30	161,20
MAR24	161,15	-0,90	163,05	160,05	160,90
MAY24	161,50	-1,15	163,60	160,60	161,40
JUL24	162,25	-1,30	164,50	161,60	162,25

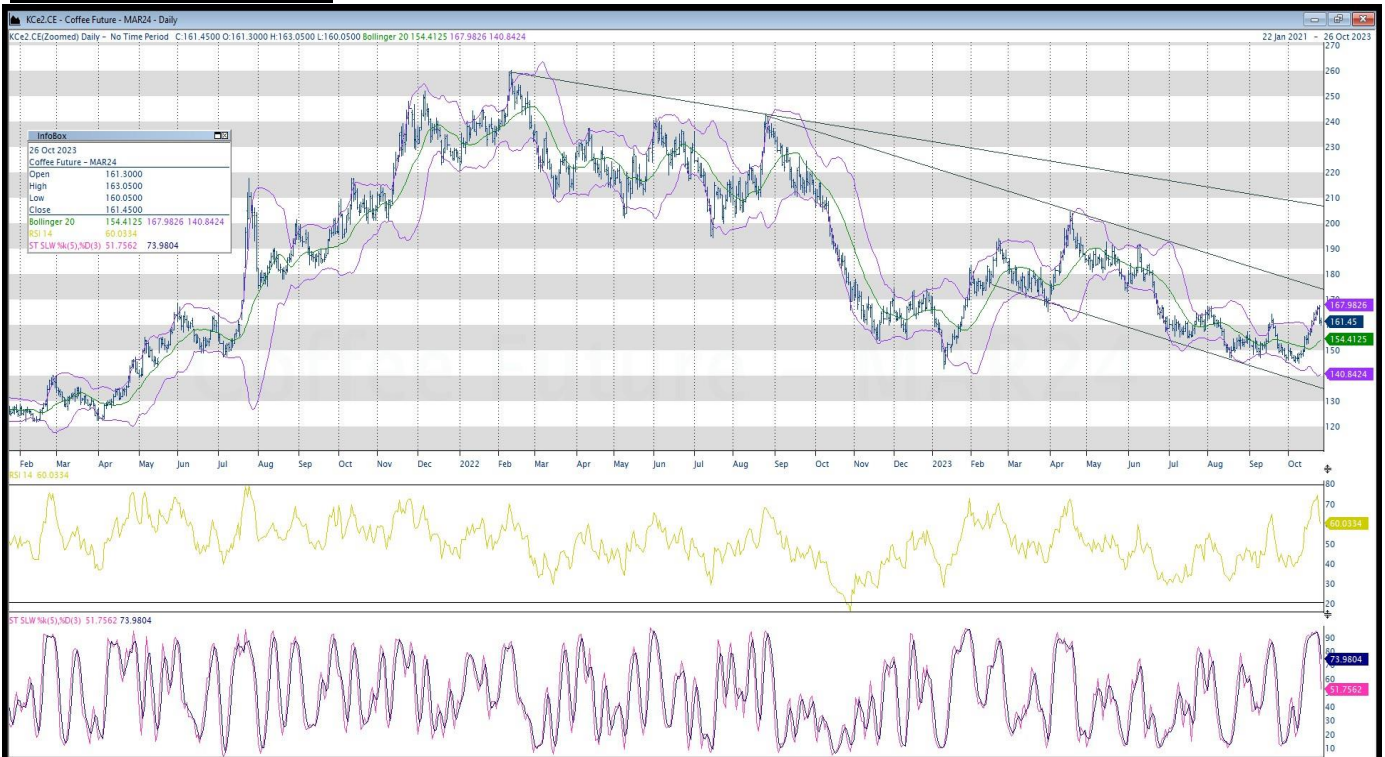
London ICE:

Supports: 2390, 2295 & 2235
Resistances: 2430, 2460 & 2510

New York ICE:

Supports: 157,75, 150,75, 147,50 & 143,00
Resistances: 163,25 - 165,50 & 167,50-168,00

NEW YORK ICE MARKET



WEEKLY MARKET REPORT



BRAZIL

The week started with dry weather and rising temperatures in most coffee producing areas. However, from Wednesday, a cold front advanced along the Southeast coast and will change the weather in the producing areas of Paraná and the Southeast. In the first week of November, rains should intensify over the interior of Brazil and should even spread over areas in the interior of the Northeast and North of the country. As a result, greater volumes of precipitation are expected over producing areas of Espírito Santo, Cerrado, Rondônia and mainly Bahia, where it can rain up to 70 to 100mm from November 2nd to 6th.

Coffee prices Monday extended last week's rally, with arabica posting a 2-1/2 month high and robusta posting a 5-week high. Monday's rally in the Brazilian real to a 3-week high against the dollar supported coffee prices. The stronger real discourages export selling from Brazil's coffee producers.

Cecafe reported on October 11 that Brazil's Sep arabica coffee exports fell -20% y/y to 2.4 million bags, the lowest for that month in 6 years. However, demand for robusta coffee remains strong as Brazil Sep robusta exports rose more than fourfold to 624,999 bags. Brazil is the world's largest producer of arabica coffee and the second-largest producer of robusta coffee.

Arabica coffee prices found support when Conab, Brazil's crop forecasting agency, raised its 2023 Brazil arabica coffee crop estimate on September 20 to 38.2 million bags from May's forecast of 37.9 million bags.

Arabica coffee prices – which were higher than BRL 1,100 per 60-kg bag a year ago – have been around BRL 800.00/bag in October, level considered low by coffee growers, points out CEPEA in its most recent report. It is important to mention that the beans currently available in the national spot market come from crops treated with inputs purchased at very high prices. Thus, many sellers have been disinterested in trading coffee, and the few deals being closed were for low volumes and due to cash flow needs.

VIETNAM

Harvesting of Arabica coffee in Northern provinces of Son La and Lai Chau started, yet crop is delayed by 2 to 3 weeks compared with last crop. In Central Highlands, about 10% to 20% of the beans are already mature, so only at the end of November we should achieve the peak of harvesting. Weather conditions remained a little concern for harvesting but typical this time every year.

Despite harvesting the smallest crop in four years, Vietnam's earnings from coffee are expected to set a new record of \$4.2 billion by the end of 2023, according to news sources citing the country's Ministry of Agriculture and Rural Development and the Mercantile Exchange of Vietnam's Information Centre. During the first nine months of 2023, Vietnam shipped 1.25 million tons of coffee, down 8.3% from the same period of 2022. The world's biggest producer of Robusta reaped a crop of 1.67 million tons, down 7% from the previous harvest season, according to a Bloomberg survey of exporters and traders released earlier this year. Higher export earnings reflect a higher demand for lower-quality variety, whose prices reached 15-year highs earlier this year.

The authorities in Vietnam's Central Highlands coffee belt are expressing concerns about the rapid expansion of durian production as some farmers rush to replace coffee, pepper and cashew plants for the fruit that is experiencing soaring prices, newspaper Tuoi Tre reports, citing local agriculture officials. In Dak Lak province, a key coffee grower, its agriculture department sees durian crop areas increasing to 30,000 hectares in coming years from current 28,600. The province's 2023 durian production estimated to top 200,000 tons, equal to a combined durian output of three neighboring coffee provinces of Gia Lai, Dak Nong and Lam Dong, report cited Nguyen Hoai Duong, head of the provincial agriculture department. In neighboring Dak Nong province, durian acreage has increased 55% since 2022 to about 10,000 hectares. Authorities rolled out measures to advise coffee and pepper farmers against massively growing durian beyond the planned area, report cited Pham Tuan Anh, head of Dak Nong agriculture department.

CENTRAL AMERICA / COLOMBIA

Colombian Coffee Growers Federation reported on August 9th that Colombian July coffee exports fell -17% y/y to 846,000 bags. Colombia is the world's second-largest producer of arabica coffee beans. However, **Honduras**, the largest coffee-producing country in Central America, reported on July 31st that its coffee exports rose +63% y/y in July to 828,499 bags.

OTHERS

Uganda - Coffee exports in September 2023, amounted to 577,073 60- kilo bags, worth US\$ 94.39 million. This comprised 543,361 bags of Robusta valued at US \$ 88.09 million and 33,712 bags of Arabica valued at US\$ 6.29 million. This was an increase of 12.76% and 30.38% in quantity and value respectively compared to the same month last year. This was partly on account of a good crop harvest in South-Western region and the prevailing good prices on the global scene which prompted exporters to release their stocks.

DEMAND / INDUSTRY

Nestlé posts 9-month sales of CHF 68.8B (-0.4%). Coffee saw high single-digit growth, with positive sales developments across brands and channels. Starbucks products reported strong growth, supported by innovation and the launch of ready-to-drink offerings in South-East. Foreign exchange negatively impacted Nespresso's sales by 5.7%. Reported sales of the brand decreased by 1.2% to CHF 4.6 billion. The Vertuo system continued to see broad-based momentum.

QUOTATION EURO / US DOLLAR

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,05277	1,05691	1,05222

The euro was exchanged this Thursday around \$1.0550 after the European Central Bank (ECB) decided to interrupt interest rate increases. The Governing Council of the ECB unanimously decided in Athens to keep its interest rates at 4.5%, because inflation has fallen. The President of the ECB, Christine Lagarde, recognizes that the euro zone economy will remain weak for the rest of the year and that it will no longer create new jobs, but she also warned that energy prices may rise further due to the increasing of geopolitical tensions in the Middle East. However, the United States Gross Domestic Product (GDP) increased 1.2% in the third quarter, which represents a rebound in growth, so the Federal Reserve could raise its interest rates further if necessary.

ADDITIONAL COMMENTS

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