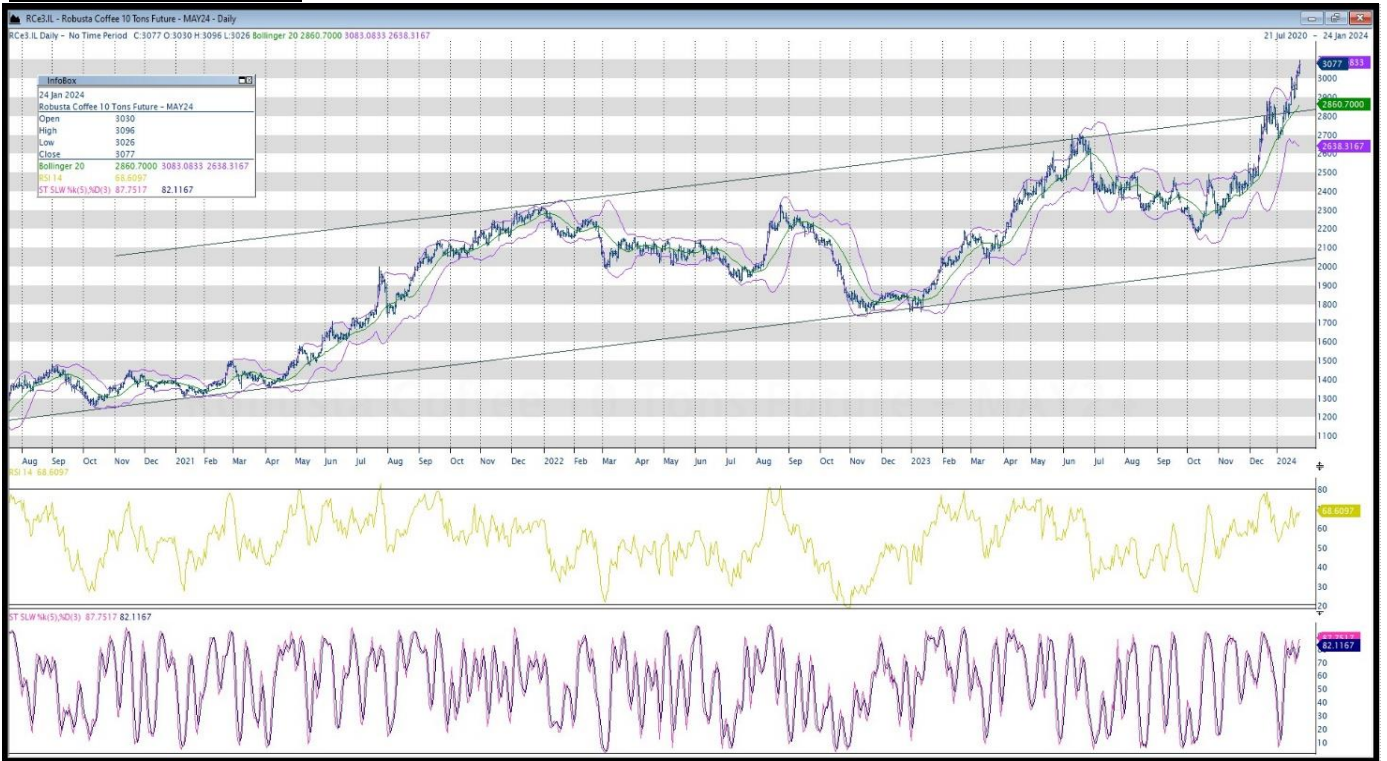


**LONDON ICE MARKET**



**LONDRES**

Posición	último	dif	alto	bajo	cierre
JAN24	3273	-127	3280	3280	3273
MAR24	3235	53	3254	3181	3182
MAY24	3077	60	3096	3026	3017
JUL24	2964	60	2980	2909	2904

**NUEVA YORK**

Posición	último	dif	alto	bajo	cierre
MAR24	193,20	0,25	195,75	191,70	192,95
MAY24	187,90	0,90	189,70	186,10	187,00
JUL24	186,55	0,75	188,20	185,20	185,80
SEP24	186,80	0,90	188,20	185,30	185,90

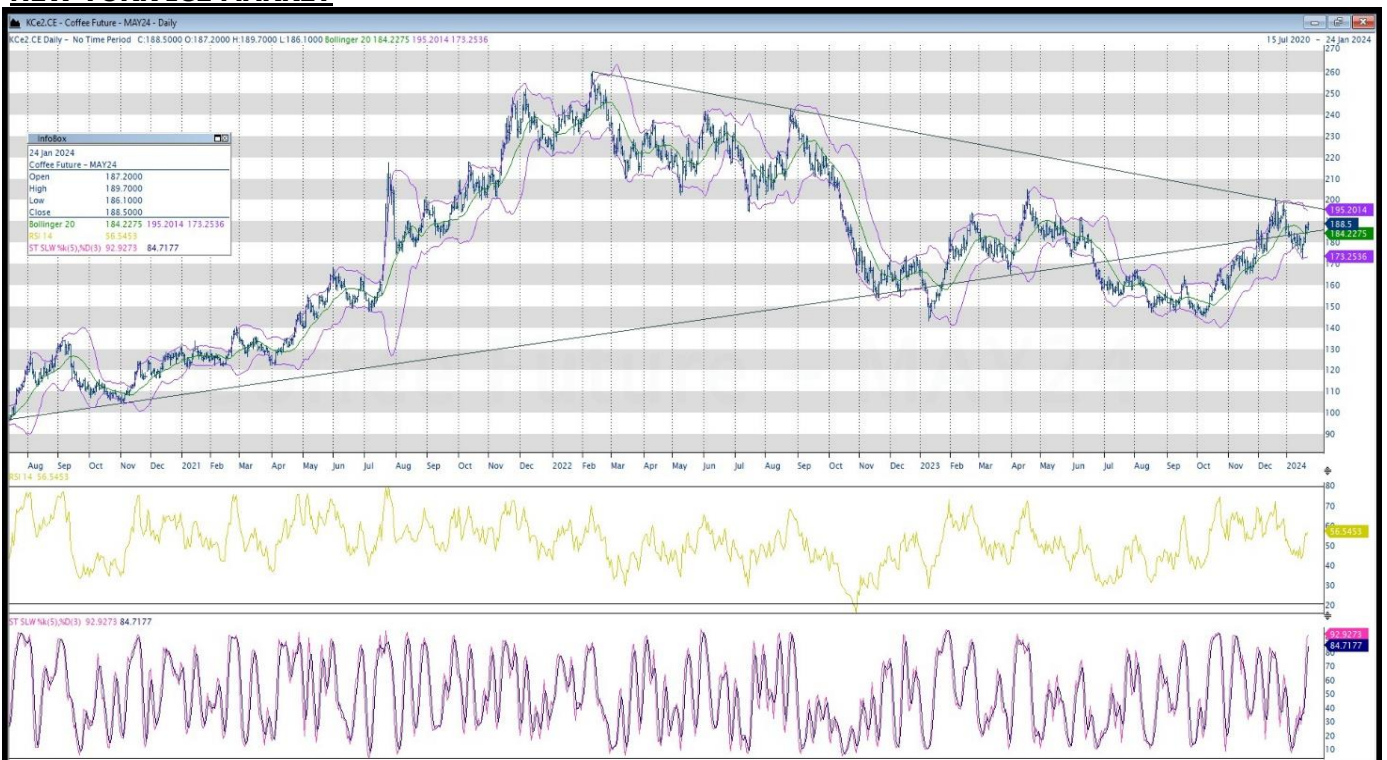
**London ICE:**

Supports: 2925 & 2750  
Resistances: 3125, 3170 & 3250

**New York ICE:**

Supports: 185,35, 180,50 & 173,25  
Resistances: 190,25 & 200,75

**NEW YORK ICE MARKET**



WEEKLY MARKET REPORT



**BRAZIL**

Despite a strong rebound in December, exports of all forms of coffee from Brazil were slightly down in calendar year 2023 to 39,246,728, or a 0.4% decrease over 2022, reports Cecafé in its monthly statistics. Green coffee exports were seemingly down by 0.3% to 35,525,630 bags, of which 30,818,110 of Arabica (-9.7%), while Robusta exports surged a whopping 212% to 4,707,520 bags, slightly below an all-time high of 4.927.184 bags in 2020.

Conab's first survey for the 2024/25 Brazil Harvest was published on Thursday. They said the harvest should total 58.08 million bags of processed beans, 5.5% more than in the 2023/24 cycle. The figures are the sum of Arabica and Conilon coffee production. In a statement, Conab pointed out that the two harvests prior to the 2023/24 cycle had low yields due to adverse weather conditions, which changed the upward trend of the production series. However, in the last harvest, a recovery phase began due to more favorable weather conditions. Total area destined for coffee growing in the country in 2024, species arabica and Conilon, totals 2.25 million hectares, an increase of 0.8% over the area of the previous harvest, with 1.92 million hectares destined to crops in production, growth of 2.4% in relation to the previous year, and 336.3 thousand hectares in training, 7% reduction compared to the previous cycle.

An area of low atmospheric pressure on the coast between the Southeast region and the south of Bahia and a cold front will organize an intense corridor of humidity over the northern half of Brazil this week. Starting on Wednesday, this humidity corridor will form the ZCAS which will be responsible for intense and lasting rains over most producing areas of the Southeast and Central-West. Next week, the rains will decrease a little in intensity over the northern half of the country, but the largest volumes will continue to reach producing areas between the Southeast and Northeast. Storms will hit the south of the country again between the weekend and the beginning of the next few weeks and with this, some stronger episodes of rain may spread over producing areas of PR, SP and south of MG.

The BRL strengthened to 4.9035 in early trade on Friday before widening back out to 4.9376 as the session progressed. Bloomberg said that the currency may strengthen to around 4.50 per dollar with the expected start of interest cuts in the US, which will help ease inflation pressures at home and allow for lower rates in Brazil, according to Rio Bravo Investimentos.

**VIETNAM**

Farmers in Vietnam are waiting for higher prices before selling and are relying on income from fruit sales in the meantime, according to Trinh Duc Minh, head of the Buon Ma Thuot Coffee Association in Dak Lak province. Local Vietnamese prices for robusta — used to make instant coffee and espresso — have already reached a record. Shipping disruptions through the Red Sea are also adding concerns, with some importers seen purchasing fewer beans from Vietnam because of high freight costs. That's all amid shrinking stockpiles at destination warehouses.

Harvest is about to be finished in next 2 weeks in Central Highlands. Weather conditions remain excellent for harvesting and drying activities.

Vietnam Lunar New Year 2024 holiday shall officially start 8th Feb 2024 but as always business activities will be slowing down one week before and after Tet.

For 2023 calendar year, Vietnam exported 1.623.138 tons of coffee worth of USD 4.2 billion or about 135.000 tons every month. This is 8.7% drop in volume but 4.6% increase in value, as per Customs authority.

**CENTRAL AMERICA / COLOMBIA**

**Colombia** - IDEAM predicts that the El Niño phenomenon could extend until next April. The El Niño phenomenon is felt most strongly in the north and center of the country. Some municipalities with intense days of heat, droughts, water shortages and forest fires. The National Unit for Disaster Risk Management indicated that there are five active fires in several municipalities of Vichada, Santander and Cauca. The high temperatures will affect the productivity of coffee plantations in the main harvest in Santander and Cauca. The April/May harvest shows high levels of coffee borer and lower yields.

**OTHERS**

**Ethiopia** - Due to the Red Sea situation, flow of coffee for export is decreasing and creating financial issues to local exporters. Despite this situation, the government is pushing to flush out old crop and have issued warnings to local exporters that unless they finish selling old crop stocks in the next couple of weeks, coffee will be confiscated and sold by the government for domestic consumption.

**DEMAND / INDUSTRY**

**Most European branded coffee chains achieved strong growth.** Germany, Europe's second largest branded coffee shop market with around 6,800 stores, and prominent Scandinavian markets Sweden, Norway, and Finland all contracted by outlets – highlighting the impact of reduced consumer spending amid higher inflation. World Coffee Portal forecasts the total European branded coffee shop market will exceed 44,100 outlets by March 2024, with the UK set to surpass 10,200 stores in early 2024.

End 2023 **Starbucks** unveiled an update to its long-term growth strategy dubbed the 'Triple Shot Reinvention', which set out goals to generate \$3bn in savings over the next three years and grow its US footprint with 'purpose-defined' stores. The Seattle-based coffee chain said approximately \$2bn of the planned savings will come from the cost of goods sold with the remaining third coming from efficiencies generated through optimized store formats.

2023 saw **China's largest coffee chain** by outlets turn a corner from its 2020 financial controversy to post its 1st ever annual profit, exceed 10,000 locations and open its first international store in Singapore. Sustaining record-breaking revenue and outlet growth throughout the year, perhaps the only fly in Luckin's ointment was the rapid rise of a major rival, Cotti Coffee. Founded by ousted Luckin Coffee executives Charles Lu and Jenny Qian in August 2022, Cotti competes directly with Luckin on price and speed of service. The chain now operates more than 6,000 stores across China and has also expanded to South Korea, Indonesia, Japan, Hong Kong, Vietnam, Thailand, and Malaysia.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,08947	1,09077	1,08516

In the US, the Richmond Fed manufacturing index contracted more than expected. And at the same time in the Eurozone, consumer confidence in January fell as well more than expected. For the next few sessions, the USDEUR is expected to continue consolidating over the 1.0845 level.

**ADDITIONAL COMMENTS**

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