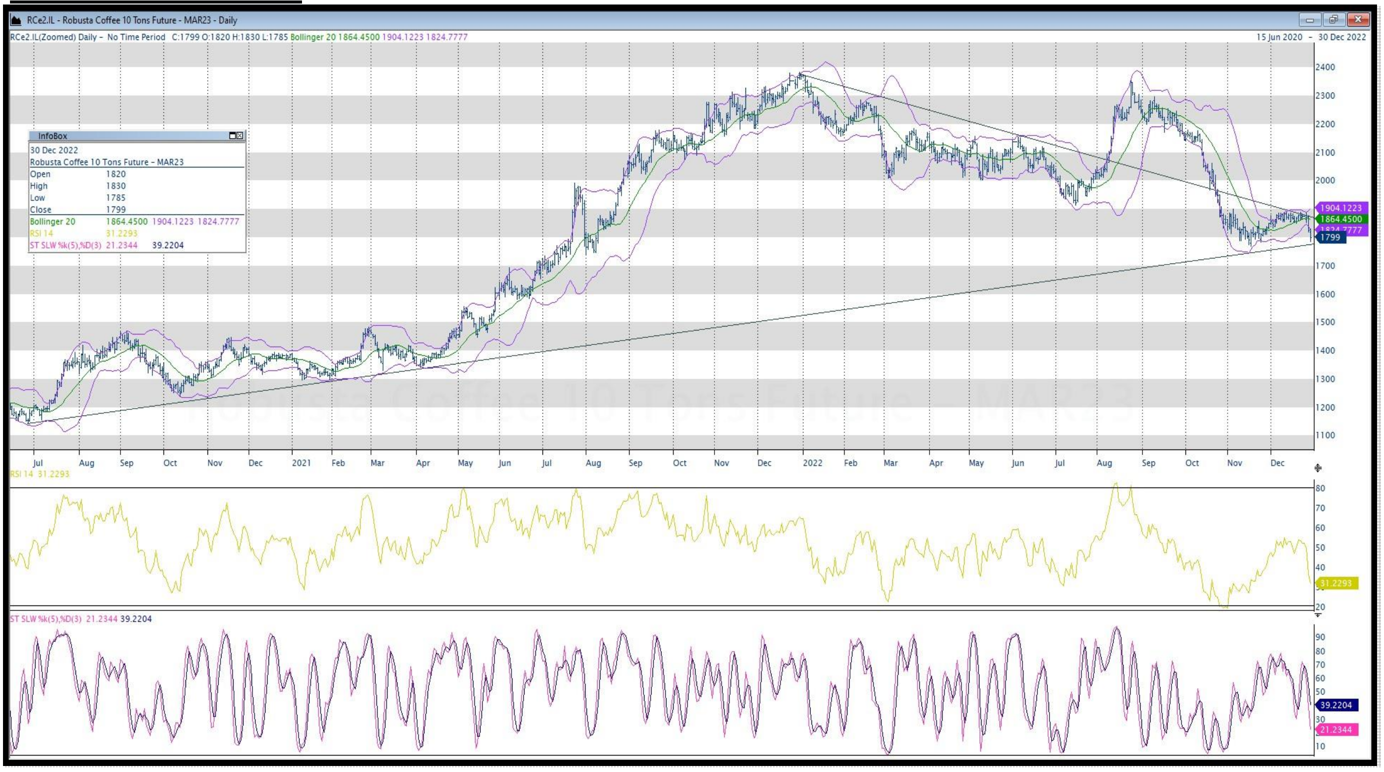
WEEKLY MARKET REPORT

LONDON ICE MARKET



LONDRES					
Posición	último	dif	alto	bajo	cierre
JAN23	1860	-37	1902	1860	1869
MAR23	1807	-17	1830	1785	1799
MAY23	1782	-20	1804	1762	1774
JUL23	1768	-20	1789	1750	1759

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
MAR23	167,30	-2,75	172,45	165,15	167,30
MAY23	166,95	-2,80	171,80	164,90	166,95
JUL23	166,60	-2,75	171,35	164,65	166,60
SEP23	166,25	-2,70	170,75	164,40	166,25

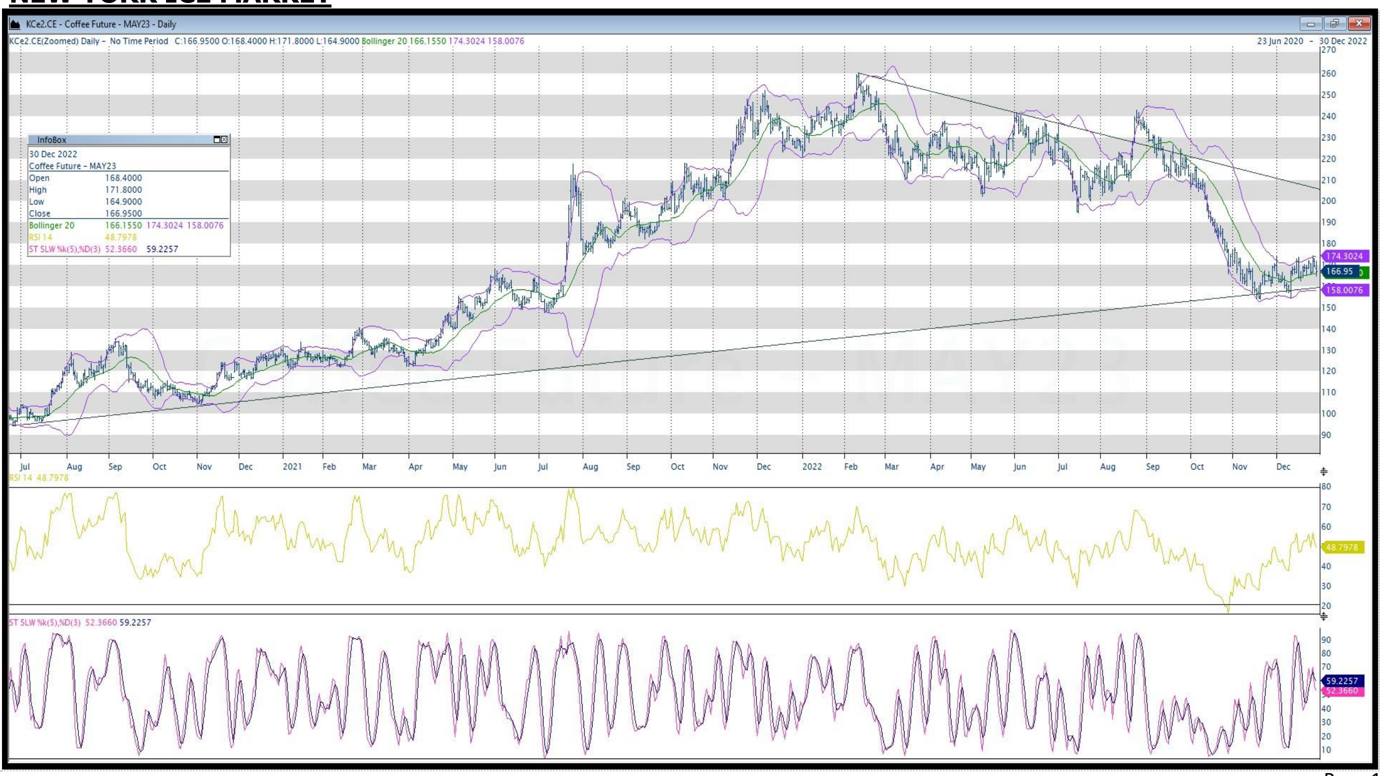
London ICE:

Supports: 1805, 1760 & 1730
Resistances: 1850, 1895 & 2040

New York ICE:

Supports: 166,35, 162,75 & 154,75
Resistances: 169,00, 172,35, 174,50 & 181,50

NEW YORK ICE MARKET



WEEKLY MARKET REPORT

BRAZIL

Brazil's coffee exports will fall this season to a five-year low, sapped by a disappointing harvest and a quest to rebuild inventories which had shrunk to their lowest since at least the 1950s, US officials said. The US Department of Agriculture, in a much-anticipated twice-yearly briefing on global coffee supply and demand, cut by 2.40m bags to 36.65m bags its forecast for Brazilian shipments in 2022-23. The downgrade reduced the estimate for exports from the world's top coffee producer and shipper looking to the lowest since 2017-18, a season marred by a third successive drought-reduced robusta harvest. The forecast – made on the July-to-June basis which Brazil itself follows – implies further weakness ahead for shipments, which up to November at reached 16.05m bags, up by 1.7% year on year, according to data from exporters' group Cecafe. In 2017-18, cumulative shipments for the July-to-November period totalled 12.80m bags.

Regular and continuous rains over key robusta coffee areas in Espirito Santo and Bahia could bring some crop losses, although major damages aren't expected. Traffic was interrupted past week on several roads in the state of Espirito Santo due to flooding & landslides.

The BRL spent last session swinging between positive & negative territory before ultimately closing in the red at 5.2786 (-0.29%) having earlier set highs at 5.1906. Ultimately, the BRL is going to be difficult to trade in the near term whilst we await to see what the incoming government do / don't do. The latest out of Brazil from incoming Finance Minister Fernando Haddad is that next year's fiscal deficit won't be the 220 billion reais currently envisage in the budget and promised a "robust" spending cut plat to be presented in the first months of 2023. Mr Haddads comments don't exactly mould with incoming President Lula's that he will try and boost growth through a bigger role for the state in the economy …

VIETNAM

Harvesting is going on steadily in Central Highlands with nearly 95% completed in Gia Lai, Lam Dong and Dak Nong and 75% in Dak Lak provinces thanks to better weather conditions. However selling activities remain quiet, as most exporters remain conservative with forward selling when ICE Robusta in backwardation, together with monetary adverse exchange rates that are not helping export.

Coffee stock in bonded and non-bonded warehouses nearby HCMC increased 80% from previous month to 191,800 tons, but still 12% down year-on-year, inspection company Cafecontrol reported.

The Vietnam General Statistics office have estimated that the coffee exports for the month of December shall be 17.20% lower than the same month last year, at a total of approximately 2,333,333 bags. This they say, shall result in the countries coffee exports for the first three months of the current October 2022 to September 2023 coffee year to be 10.74% higher than the same period last year, at a total of 5,499,999 bags. The General Statistics office of Vietnam have at the same time estimated that the value of the country's coffee exports for the 2022 calendar year, shall be 28.30% higher than the same period last year, at a total of approximately 3.90 billion US Dollars.

There shall be an interruption to the export activity from Vietnam as the Tet Lunar New Year, to bring in the year of the Cat, will be observed earlier than is usual in calendar year 2023, from the 22nd January.

CENTRAL AMERICA / COLOMBIA

Harvesting is almost complete in the lower lying earlier ripening areas of **Central America and Mexico**; these qualities do have some potential to fill any foreseeable short-term tightness in supply. With weather conditions remaining conducive for the most part, this producer bloc is forecast to produce collectively 31.50 million bags for the October 2022 to September 2023 coffee year. These harvests traditionally start in the lower lying areas, to pick up pace through November into January each year, exports from these countries which traditionally carry limited stock into the new season. It is reasonable to anticipate that the carryover coffee inventory held in these countries was even less than traditionally held, heading into the current October 2022 to September 2023 coffee year, following the tight supply situation from these mainly quality washed arabica coffee producer countries over the year.

OTHERS

The **Indonesian** government trade data from Sumatra has reported that the islands robusta coffee exports for the month of November were 245,555 bags or 158.50% higher than the same month last year, at a total of 479,187 bags. This contributes to the islands cumulative robusta coffee exports for the first eight months of the current April 2022 to March 2023 coffee year to be 1,196,246 bags or 54.93% higher than the same period in the previous year, at a total of 3,374,284 bags.

The U.S. Agriculture Department on Tuesday raised its **Kenya** coffee production forecast by 14% for the marketing year that runs from October through September 2023. Production is expected at 800,000 60-kilogram bags from 700,000 bags estimated in a June report, the USDA said in its December coffee report. The report also revised Kenya's 2021-22 coffee production figure to 850,000 bags from 780,000 bags estimated in June.

Ugandan Coffee exports fell 15% y/y in November to 447,162 bags from 525,915 bags a year earlier following a consecutive year of drought in most regions according to the Uganda Coffee Development Authority. The drought is said to have led to increased incidents of pests and diseases such as coffee twig borer and red blister disease.

DEMAND / INDUSTRY

The Certified washed Arabica coffee stocks held against the New York exchange were seen to increase by 10,446 bags yesterday, to register these stocks at 808,201 bags, with 93.95% of these certified stocks being held in Europe at a total of 759,298 bags and the remaining 6.05% being held in the USA at a total 48,903. Of this, a total 455,382 bags, or 56.34% of the coffees registered and stored in consumer country certified warehouses of the exchange, Brazil washed arabica, and a further 40.21% of these certified coffees, originating from Honduras. There was meanwhile 14,706 bags decrease to the number of bags pending grading to the exchange; to register 242,447 bags pending grading on the day.

The US Department of Agriculture sees **world coffee production for 2022/23 at 172.8 million**, up 6,6 million bags. Global consumption is expected to rise 800,000 bags to 167.9 million, with the largest gains in the European Union, the United States, and Brazil. World coffee bean exports are forecast 3.0 million bags lower to 116.1 million

QUOTATION EURO / US DOLLAR

€/US$ rate	last	high	low
EUR/USD Euro/US Dollar	1,0665	1,07087	1,06646

ADDITIONAL COMMENTS