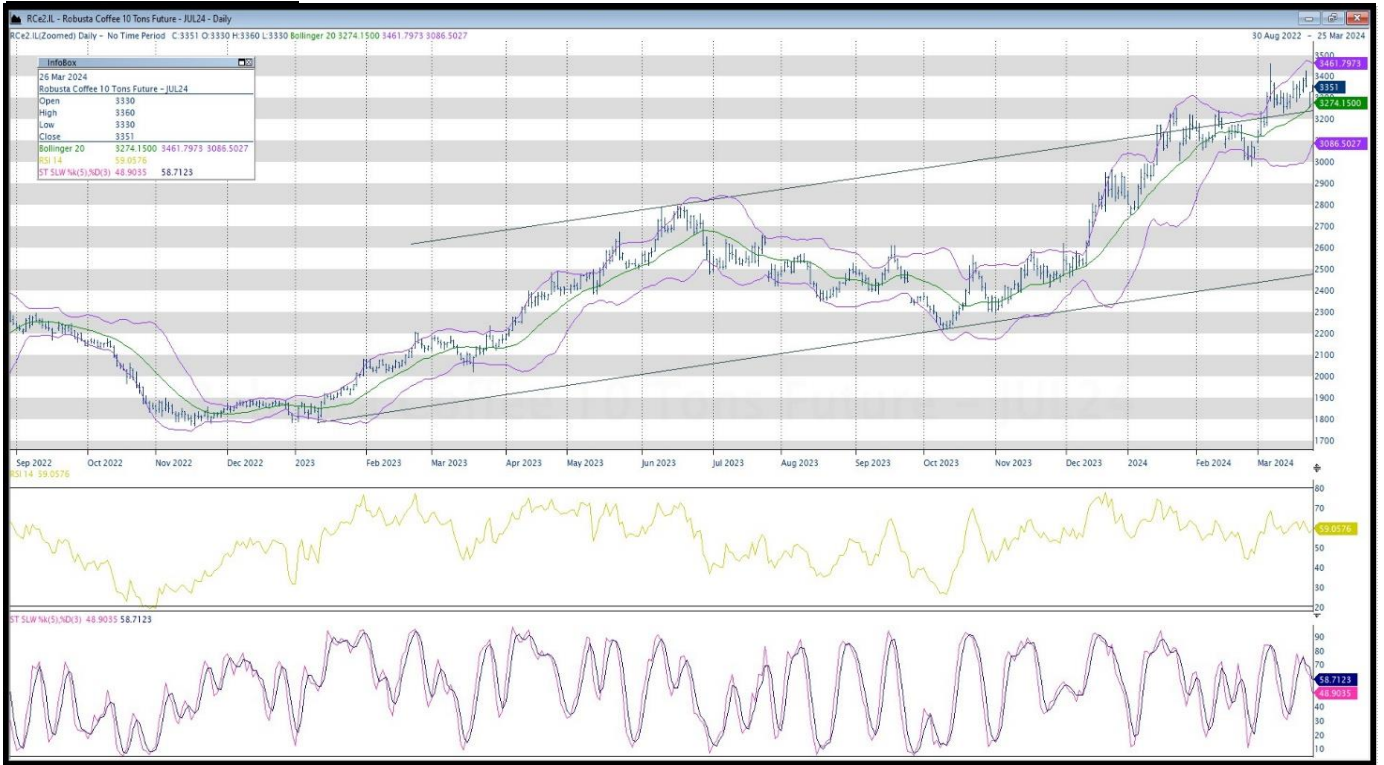


LONDON ICE MARKET



LONDRES

Posición	último	dif	alto	bajo	cierre
MAY24	3430	13	3447	3417	3417
JUL24	3345	19	3360	3330	3326
SEP24	3272	19	3286	3258	3253
NOV24	3197	20	3209	3188	3177

NUEVA YORK

Posición	último	dif	alto	bajo	cierre
MAY24	186,15	0,50	186,90	185,55	185,65
JUL24	185,30	0,40	185,95	184,75	184,90
SEP24	184,90	0,40	185,60	184,25	184,50
DEC24	184,90	0,70	185,20	184,10	184,20

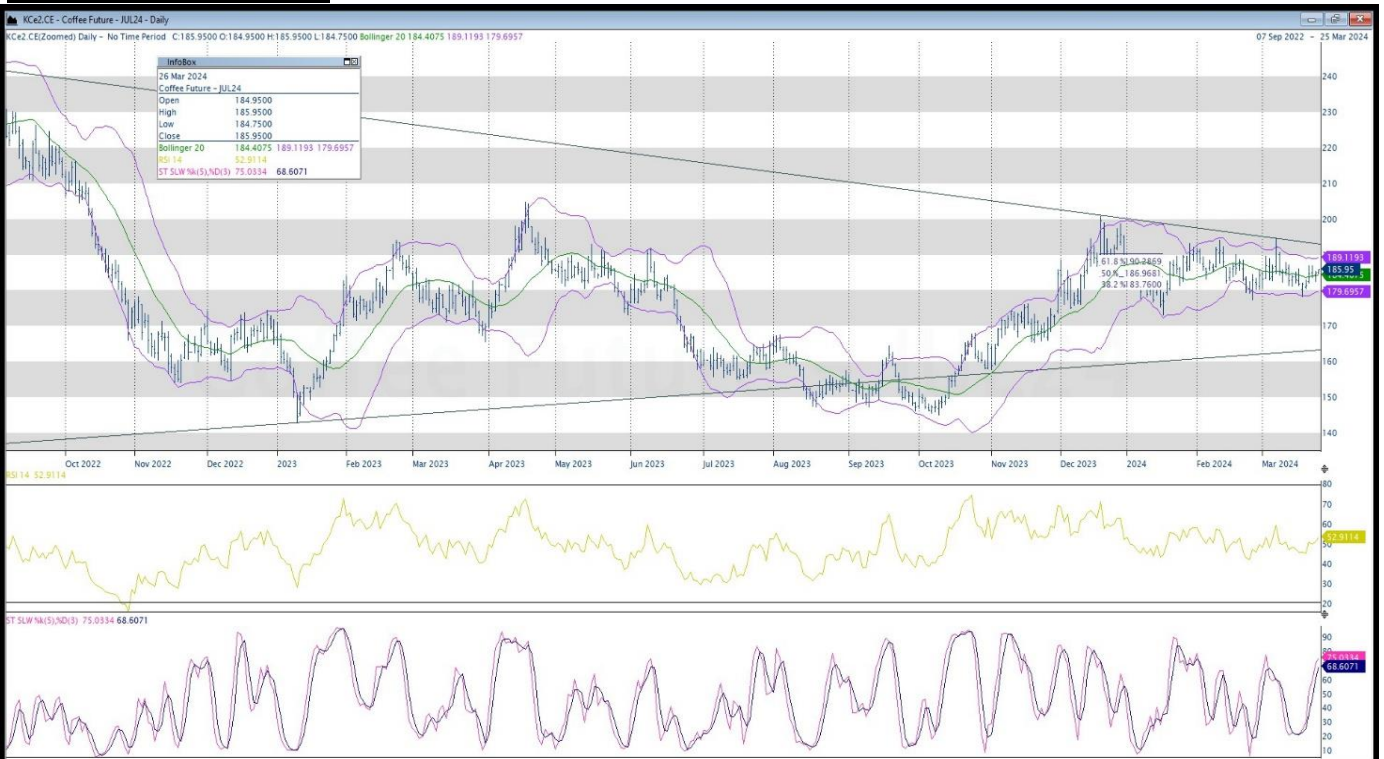
London ICE:

Supports: 3325, 3275, 3235 & 3165-3100
Resistances: 3375, 3475 & 3550

New York ICE:

Supports: 177,50 & 173,00
Resistances: 184,00, 187,25, 191,00 & 194,00

NEW YORK ICE MARKET



WEEKLY MARKET REPORT



BRAZIL

Cooxupe expects to source roughly 7 million bags of the commodity in the harvest starting in May, up 7.7% from the previous crop, according to Carlos Rodrigues de Melo, the group's head. Roughly 18% of the cooperative's crop has already been sold, in line with year-ago levels. Coffee production in Brazil, the world's largest producer, is expected to increase for a third straight year after a major drop caused by drought and frost during previous seasons. Farmers have benefited from improved weather conditions and lower costs for crop inputs such as fertilizers, Melo said. Prices for the commodity are expected to remain at levels that are profitable for most growers, he added. "The balance between supply and demand is still tight."

Coffee prices climbed to 1-1/2 week highs and are moderately higher on forecasts for limited rain in Brazil's coffee-growing regions. Recent rain in Brazil has been below average and has been supportive of coffee prices. Somar Meteorologia reported Monday that Brazil's Minas Gerais region received 6.6 mm of rainfall in the past week, or 16% of the historical average. Minas Gerais accounts for about 30% of Brazil's arabica crop. From beginning this week, the rains decrease over most of the producing areas in the Southeast and the episodes should occur more isolated in this region. Meanwhile, the rains are expected to intensify over Bahia in the first days of April. Widespread and heavy rains are expected over the State, with volumes that could approach 100mm in some locations throughout the first week of April.

As of last Thursday 21st, certificates of origin had been issued for more than 2.8 million bags that are already being shipped this March, a volume that should bring March 2024 exports to a total higher than the same period in 2023, which totaled 3.115.000 bags. Conilon exports continue to be strong and as of yesterday more than 493,000 bags had already been shipped.

The local Brazilian industry continues focusing more on Arabica low grades coffees, with no business reported for conilon, which concentrated on the export side.

Brazil's Central Bank lowered its interest rate by a half-point and pledged another cut of the same size for its next meeting only, opening the door to smaller drops starting in June amid underlying inflation pressure. The Bank cut the benchmark Selic to 10.75%, as expected by all analysts in a Bloomberg survey and in line with prior guidance. In a statement, Board members wrote measures of core inflation remain above target, reiterating that monetary policy requires serenity and moderation. Brazil's real with decent volatility past week with the dollar reaching above the R\$5.00 level, with a high of R\$5.0549 and a low of R\$4.9503 near recent lows, encouraging selling in the local market.

VIETNAM

Vietnam exported 199,719 tons of coffee during the first half of March 2024, 95% over the same period last year. During the first 2 and a half months of 2024 calendar year, the country already exported 598,325 tons of coffee, 34% higher than the same period 2023, leaving little coffee to be exported onwards, Customs Authority reported.

Marex Group forecasts a global 2024/25 robusta coffee deficit of 2.7 million bags due to reduced output in Vietnam.

Farmers in the central highlands, Vietnam's largest coffee-growing area, are selling their coffee beans at 93,000-94,200 dong (\$3.75-\$3.80) per kg, up from 90,400-92,000 dong range last week, reports Reuters. Traders offered 5% black and broken-grade 2 robusta at a premium of \$550-\$650 per ton to the May contract. The situation remains the same. Supplies are almost empty when demands are strong, said a trader based in the coffee belt quoted by Reuters. Domestic prices could be reaching the record high of 100,000 dong (\$4.03) per kg very soon.

CENTRAL AMERICA / COLOMBIA

The forecasts from the U.S. Governments National Weather Service's Climate Prediction Centre have reported that **La Niña weather conditions** are favored to develop by August and prevail for the remainder of the year. The strength and timing of these weather patterns that are related to the warming or cooling of notably the Pacific Ocean temperatures will be closely monitored. In the event of La Niña, this is a cooling phenomenon that generally brings about accentuated drier weather conditions in regions of southern continent America, including Colombia.

OTHERS

Kenya Coffee Exchange says 252,854 Bags sold in the last 5 months. Sales at the auction are from October through February and weighed about 15.500 tons, Nairobi Coffee Exchange says by email without providing comparative figures for the previous period. Average price for the five months was \$217.58 per 50kg bag.

DEMAND / INDUSTRY

Ice Arabica Coffee inventories have rebounded from historically low levels especially due to arrivals from Brazil and Honduras. ICE-monitored arabica coffee inventories fell to a 24-year low of 224,066 bags on November 30, although they recovered to an 8-month high Monday of 577,023 bags. **ICE-monitored robusta coffee inventories on February 21 fell to a record low of 1,958 lots, although they recovered to a 7-week high of 2,894 lots this week.**

The Chairman of **Italian coffee roaster Illy** said during a press conference in São Paulo that they expect global coffee prices to fall in the second half of 2024 on a larger surplus of beans. Understanding market fundamentals is more and more difficult due to lack of transparency in data for production, demand and stockpiles, the chairman said.

Asia - Global coffee bean futures are near record or recent highs, fueled by increasing demand from a growing middle class in China and the rest of Asia while some major producers appear headed for poor harvests. Some retailers have been replacing Arabica with robusta in an effort to avoid soaring retail prices, said Taisuke Horie, a beverage department manager at trading house Marubeni. Increasing demand is squeezing robusta supply, leading to higher prices. Global consumption of coffee beans in 2023-24 is to increase 20% from 2013-14, with notable growth in Asia. Consumption in heavy producing countries Vietnam and Indonesia is up 60% and 90%, respectively, over the same span, the USDA reports. China, the world's seventh-largest coffee consumer, is seeing a 130% increase. In Asia, coffee was largely a luxury product for wealthy people, but with population growth and economic development, the middle class has expanded, and the number of people who enjoy it on a daily basis has increased, Horie said. As of December, China had surpassed the U.S. to have the most coffee chain stores globally. Chains originating in China are also expanding rapidly worldwide. Cotti Coffee, founded in 2022, has more than 7,000 stores globally and expanded into Japan in 2023. Rising futures prices are also impacting consumer prices in Japan. Ajinomoto AGF will raise prices on some instant coffee products by 20% to 25% starting April 1st.

The northern hemisphere main coffee consumer markets, meanwhile, in Canada, Europe, Japan, United Kingdom and United States of America, which collectively consume around 92.50 million bags of coffee per annum, are gradually moving towards the traditionally slower summer consumption months ahead. There are concerns surrounding the consumption impact that overarching macro-economic factors could influence within the more developed coffee consumer markets, as economic pressure within consumer households in the wake of the global inflationary post pandemic environment hold. There are signals that the largest consumer economy, USA., may turn the tide of their higher interest rate cycle albeit some months ahead, to potentially lead the way for other northern hemisphere consumer markets, who may follow suite providing that encouraging economic data filters to the fore.

QUOTATION EURO / US DOLLAR

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,08543	1,08559	1,0836

After losing the support of the short-term of the bullish channel (depreciation of the euro) at 1.079, for the next sessions we expect to accelerate the looses to 1.079.

ADDITIONAL COMMENTS

The **European Deforestation Regulation** or EUDR will outlaw sales of products like coffee from December 30, 2024, if companies can't prove they are not linked with deforestation. It will apply to cocoa, coffee, soy, palm oil, wood, rubber, and cattle. To sell those products in Europe big companies will have to provide evidence showing they come from land where forests haven't been cut since 2020. Smaller companies have till July 2025 to do so. Deforestation is the second-biggest source of carbon emissions after fossil fuels. Europe ranked second behind China in the amount of deforestation caused by its imports in 2017, according to a 2021 World Wildlife Fund report.

Ensuring that **Vietnam's** roughly half a million small farmers, who produce about 85% of its coffee, if can collect and provide data showing their farms did not cause deforestation remains a challenge. Some may struggle to use smartphones to collect geolocation coordinates. Small exporters need as well to set up systems to prevent other uncertified products from being mixed with coffee that meets EUDR requirements. Farmers also will need documents proving they have complied with national laws for land use, environmental protection and labor.

Brazil, the world's largest coffee producer, could be better placed since its coffee grows on plantations that far are away from forests and it has a relatively well organized supply chain. Also, Brazilian-grown coffee is most likely to meet the EUDR requirements, according to a 2024 Brazilian study, because much of it is exported to the EU, Brazil has fewer small farmers, and about a third of its coffee growing acreage already has some kind of sustainability certification.

The **National Coffee Association** (NCA) based in the USA held their annual convention earlier this month in Nashville, Tennessee. This year's convention theme was 'Fuelling the Future'; how the coffee industry can work together to shape the future of the industry through education, advocacy and collaboration. Key topics discussed during the convention as well as the 2023 NCA Economic Impact Report will be released in due course, providing insight into the ways in which coffee contributes to the US economy. Through its 2022 report, it was noted that the coffee industry contributed 342.20 billion US Dollars to the US economy, a figure that is expected to see a gradual increase during 2023.



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