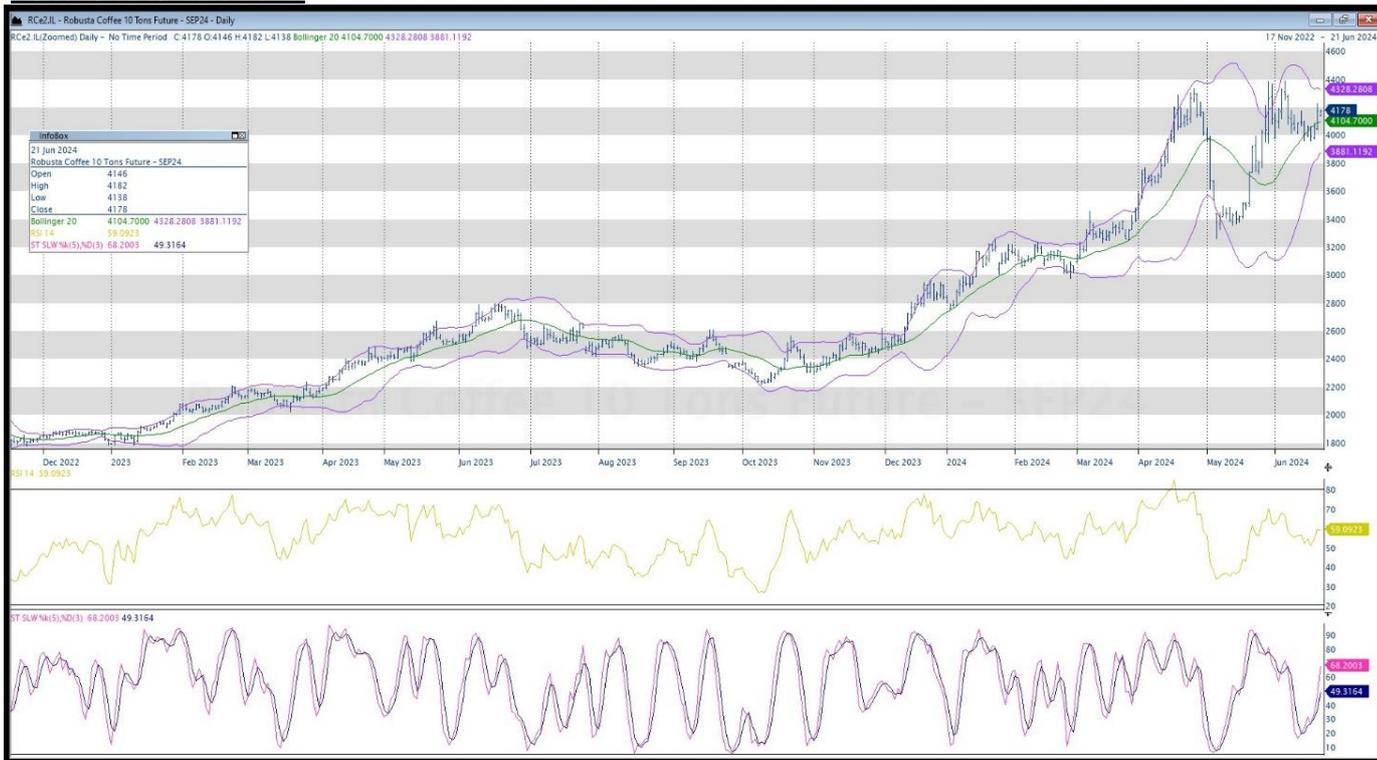


**LONDON ICE MARKET**



LONDRES					
Posición	último	dif	alto	bajo	cierre
JUL24	4389	15	4390	4341	4374
SEP24	4185	9	4189	4138	4176
NOV24	4007	6	4014	3969	4001
JAN25	3838	-1	3848	3807	3839

NUEVA YORK					
Posición	último	dif	alto	bajo	cierre
JUL24	230,10	-0,15	230,10	229,40	230,25
SEP24	230,50	0,15	231,25	227,85	230,35
DEC24	228,40	-0,15	229,20	226,00	228,55
MAR25	226,75	-0,25	227,15	224,40	227,00

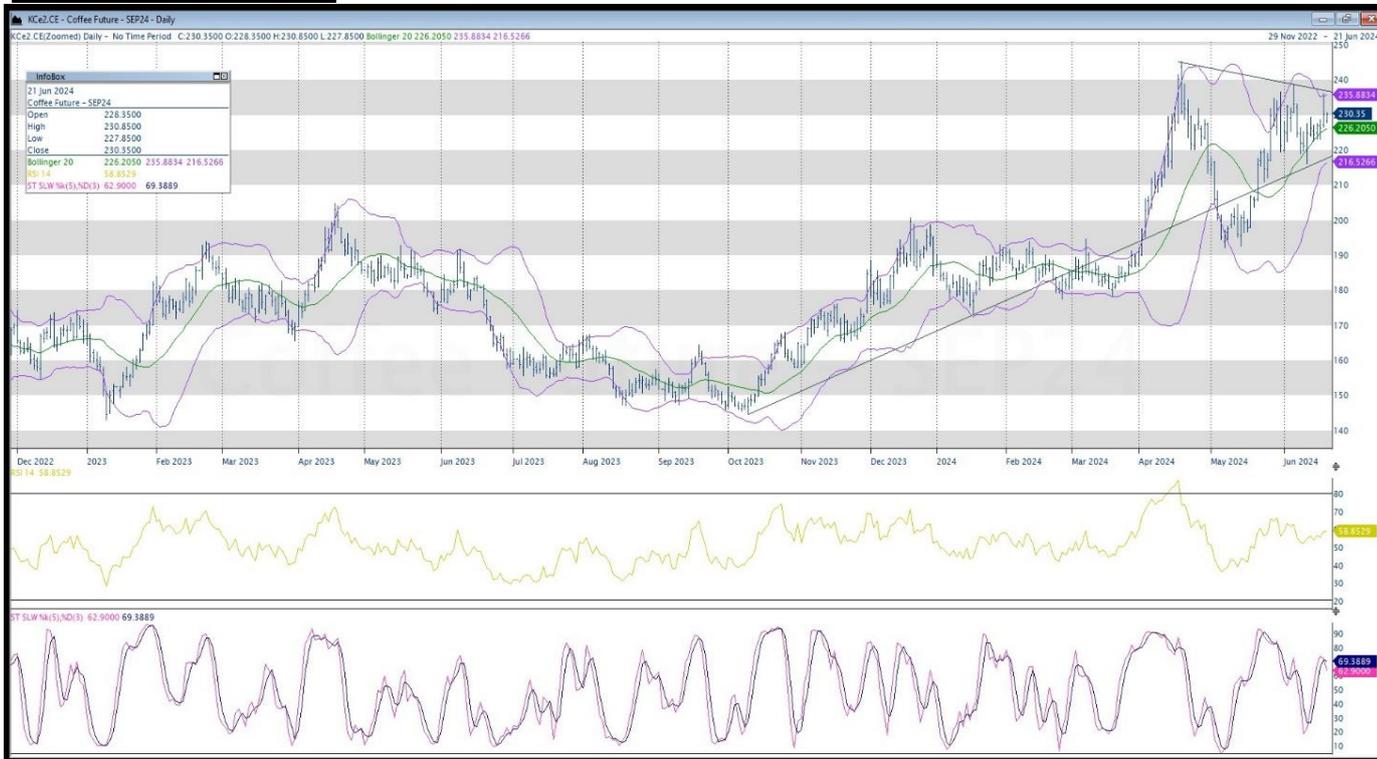
**London ICE:**

Supports: 4175, 4145, 4065 & 3940  
Resistances: 4230, 4395 & 4550-4560

**New York ICE:**

Supports: 228,00, 223,75, 221,25 & 216,00  
Resistances: 230,00, 238,75 & 243,25

**NEW YORK ICE MARKET**



WEEKLY MARKET REPORT



**BRAZIL**

Brazil's coffee harvest for the 2024/25 season had reached 37% of the expected area as of last Tuesday, consultancy Safras & Mercado said on Monday, compared with 33% a year earlier. Sales of the country's current coffee crop were seen at 22%, below the 26% reported at the same time in 2023, the consultancy added.

Rumors have circulated regarding defaults on contracts for Conilons made last year/beginning of this year (at much lower levels), which could be contributing to price distortions, particularly during rallies in the ICE-London market. Low-grade robusta qualities suitable for local roasters are being offered at prices as high as R\$1280.00, leading local roasters to focus on Arabica 600 defects instead.

Brazil's specialty coffee exports surged by 45% in the first two months of 2024, totaling 1.57 million bags and generating \$356.9 million, with the United States being the top destination, according to the last USDA report.

As per SOMAR, next week, a new cold front should advance through the south of Brazil, causing rain over the region, but once again the system will have difficulty entering the interior of Brazil and therefore dry weather should persist over most of the coffee producing areas. Forecasts indicate a more significant change in the weather at the turn of June to July, with the possibility of low-intensity rain episodes over producing areas in the center-south of Brazil, including even the southern and northern areas. Zona da Mata in Minas Gerais. With this more significant change expected at the turn of the month, there is also a forecast for a more pronounced fluctuation in temperatures, but even so, there are no indications for the occurrence of extreme cold or frost in producing areas.

On the exchange rate, the dollar remained during the last sessions between R\$5.3360 and R\$5.4153 with the Real losing strength against the dollar.

Brazilian coffee exporters faced significant logistical challenges, with 81% of shipments delayed at main ports in March 2024, including 80% at the key Port of Santos, causing delays of up to 39 days, according to a report from the Brazilian exporter's association Cecafé. Limited gate access at port terminals exacerbated planning issues, according to the Cecafé report, resulting in increased fees to exporters and a higher incidence of missed deadlines with international buyers.

**VIETNAM**

As per the USDA, Vietnam production is forecast nearly unchanged at 29.0 million bags, with over 95 percent of total output remaining as Robusta. The rainy season was slightly delayed and above average temperatures were recorded in many areas, adversely affecting yields. Similar conditions lowered yields and output the previous 2 harvests. Bean exports are forecast to drop nearly 500,000 bags to 24.4 million due to reduced total supply and rising domestic consumption.

As per local sources, after a promising recovery in May that brought rainfall back to historical norms, June has seen a sharp decline, with rainfall levels dropping to the lowest end of the 10-year range. This lack of rain has heightened concerns about the upcoming 2024/25 crop.

Vietnam exported 39,696 tons of coffee in the 1st half of June, 4.9% lower from the amount shipped during the 1st half of May this year. If this trend is confirmed, the full month exports should have a huge drop compared with a year earlier, when the country exported 141,620 tons, Vietnam Customs Authorities reported.

**CENTRAL AMERICA / COLOMBIA**

As per the USDA, **Colombia** Arabica production is forecast up 200,000 bags to 12.4 million on slightly higher yields, though yields are expected below recent highs due to increased rates of coffee cherry borer insect infestations. Bean exports, mostly to the United States and European Union, are forecast up 200,000 bags to 10.8 million on higher supplies.

**Central America and Mexico** production is forecast 300,000 bags higher to 16.6 million, with Arabica accounting for 95 percent of output. Nicaragua is expected nearly 300,000 bags higher to 2.7 million, while Mexico is expected to gain just 30,000 bags to 3.9 million. Production is expected flat in Costa Rica, El Salvador, Guatemala, Honduras, and Panama. Bean exports for the region are forecast up 500,000 bags to 13.4 million, fueled by slightly higher supplies and an expected drawdown of stocks.

**OTHERS**

**India** combined Arabica and Robusta harvest is forecast down 100,000 bags to 6.0 million as Arabica output slips to 1.4 million due to poor pre-monsoon rains. Robusta production is expected unchanged at 4.6 million on normal growing conditions. Bean exports are forecast down slightly to 4.2 million bags on lower output.

**DEMAND / INDUSTRY**

**USA Market** - Despite higher prices, consumption of coffee remains at an all-time high. The National Coffee Association (NCA) said the number of daily coffee drinkers in the United States has risen 37% in the last 20 years, with more than 75% of American adults consuming coffee at least once a week. At-home coffee consumption in particular has been on an upward trajectory following the pandemic, as 70% of all coffee drinking occasions occur at home. Continued price increases may further compound the trend toward at-home consumption as consumers seek cheaper alternatives to higher-cost foodservice products.

**Brazil's domestic coffee consumption** for 2024/25 is forecast to increase to 22.67 million bags. Analysts consulted by the USDA estimated that domestic consumption accounted for nearly 40% of total Brazilian coffee production. The Brazilian Coffee Industry Association (ABIC) reported that domestic consumption from November 2022 to October 2023 was 21.67 million bags. Soluble coffee consumption in Brazil has been rising steadily since 2016, reaching a record 1.05 million bags in 2023, reflecting a 5.2% increase over the previous year, according to the analysis.

**QUOTATION EURO / US DOLLAR**

€/US\$ rate	last	high	low
EUR/USD Euro/US Dollar	1,06939	1,07206	1,06711

EUR/USD retreats below 1.0700 after weak German and EU PMI data. The PMI data from Germany and the Eurozone showed that the private sector lost growth momentum in early June, making it hard for the Euro to hold its ground.

**ADDITIONAL COMMENTS**

**As per the USDA**, World coffee production for 2024/25 is forecast to rebound 7.1 million bags from the previous year to 176.2 million due primarily to continued recovery in Brazil and rebounding output in Indonesia. With additional supplies, global exports are expected up 3.6 million bags to 123.1 million primarily on strong shipments from Indonesia and Brazil. Consumption is seen 3.1 million bags higher to 170.6 million. Ending stocks are expected to rise 1.9 million bags to 25.8 million following 3 years of decline.

**The International Coffee Organization (ICO)** projected on May 3 that 2023/24 global coffee production would climb +5.8% y/y to 178 million bags due to an exceptional off-biennial crop year. ICO also projects global 2023/24 coffee consumption will rise +2.2% y/y to 177 million bags, resulting in a 1 million bag coffee surplus.

The United States has asked the EU to delay the implementation of its **Deforestation Regulation**. In a story that broke yesterday, several news outlets report US trade representatives have asked for the delay until the EU addresses the challenges of implementation of the regulation and its enforcement penalties. An EU spokesman confirmed the letter was received and a will "reply in due course."



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