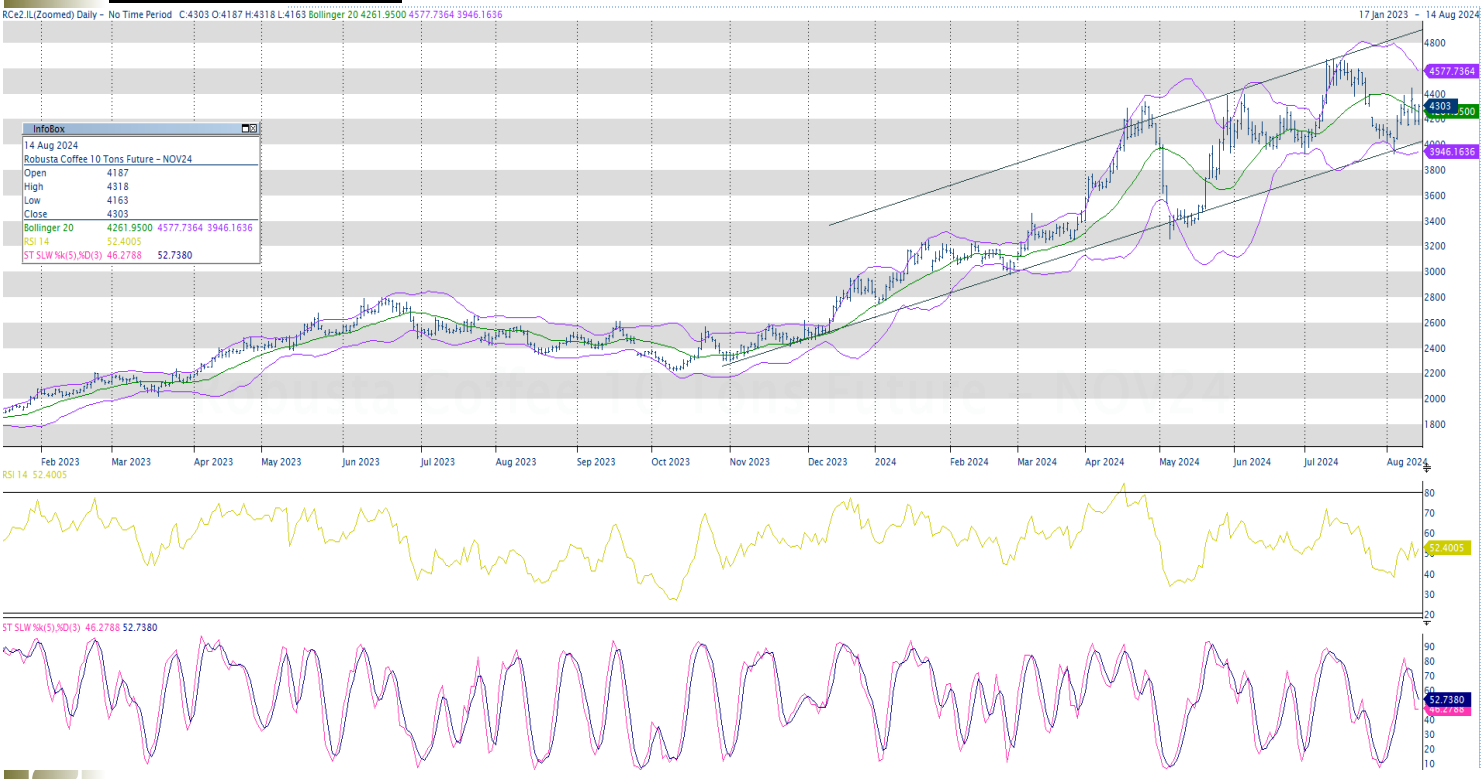
LONDON ICE MARKET



LONDRES					
Posición	**último**	**dif**	**alto**	**bajo**	**cierre**
SEP24	4469	94	4490	4338	4472
NOV24	4293	106	4318	4163	4292
JAN25	4128	103	4154	4002	4131
MAR25	3980	98	4001	3883	3983

NUEVA YORK					
Posición	**último**	**dif**	**alto**	**bajo**	**cierre**
SEP24	237,05	4,35	238,95	232,05	232,70
DEC24	234,55	5,50	235,95	229,10	229,05
MAR25	232,05	5,75	233,45	226,50	226,30
MAY25	229,95	5,75	231,25	224,55	224,20

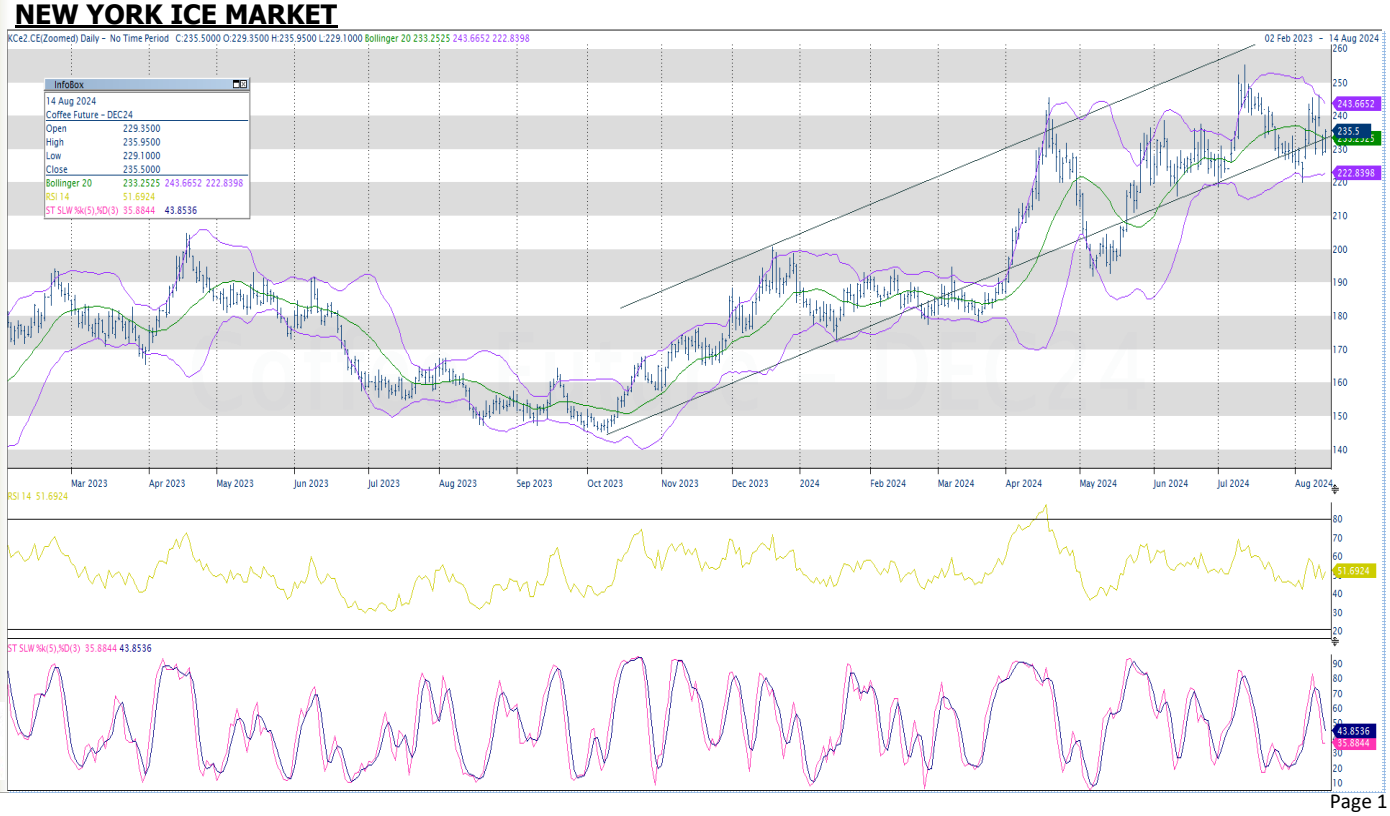
London ICE:

Supports: 4440, 4280 & 4065
Resistances: 4520, 4595, 4680 & 4840-4875

New York ICE:

Supports: 237,00, 231,25, 221,00 & 210,50
Resistances: 242,00, 251,75 & 255,25

NEW YORK ICE MARKET



WEEKLY MARKET REPORT

BRAZIL

Bloomberg informed that farmers reported some cases of frost on coffee crops over the past weekend but the episodes were "isolated," said Juliano Tarabal, an executive director at the Cerrado Coffee Producers Federation, which represents growers in one of Brazil's main arabica regions. Fears of significant frost damage have subsided for now.

Brazilian green coffee exports rose nearly 26% in July compared with a year ago, totaling 3.39 million bags, Cecafe said on Monday. Exports of arabica coffee grew 13% year-on-year to 2.49 million bags, while shipments of robusta surged about 82% to some 900,000 bags.

Brazil's coffee production is expected to fall by 4.4% to 63.3 million bags in the 2024-25 season, according to Hedgepoint Global Markets. Robusta production projected to "fall sharply" to 20.1 million bags, a 10.7% drop from the prior year. Arabica coffee output seen at 43.2 m bags, a 1.1% drop from the previous season. Expectations for a global deficit would then keep prices supported in the medium term.

Safras & Mercado have estimated that almost 92% of the new Brazil coffee crop has already been harvested, as of the 6th August 2024. The harvest this year is at a faster pace, when compared to the same time last year which was reported at around 86%. Based on their forecast for a new crop of 66.04 million bags, the report would indicate that so far approximately 60.76 million bags of the new crop coffee have been harvested, the coffee made up of around 20.50 million bags of Conilon robusta coffee, which is reported at 99% of the harvest complete and approximately 40.26 million bags of arabica coffee harvested, which is reported at 88% complete this far.

Rabobank, on the other hand, is forecasting production of 67.1 million, compared to a previous estimate of 69.8 million.

On top of that, Cooxupé, Brazil's largest coffee cooperative, said this week that it no longer expects increase in production this year in the area where it operates in the Brazilian states of Minas Gerais and Sao Paulo due to dry & hot weather. According to the cooperative's vice president, Carlos Augusto Rodrigues de Melo, Cooxupé will receive less than 7 million bags this year.

As per Cepea, smaller Arabica coffee beans may affect the final volume harvested by Brazil. Players have been complaining about small-sized coffee beans since the beginning of the season. They expected that their size would increase as the harvesting advances, which has not been occurring. It is worth noting that weather conditions have been a challenge in the Central-Southern area in Brazil since the flowering.

VIETNAM

Coffee market remains quiet with almost no trading activities due to high prices. Multiple soluble coffee factories already looked for alternative supplies overseas, especially from Brazil. How Vietnam can remain its market share in coming crops, once many buyers switched to Brazil and other origins, remains a serious question.

Coffee stocks in bonded and non-bonded warehouse nearby HCMC dropped 11.3 % to 85,220 tons compared with previous month, 32.9% year on year, Cafecontrol reported.

Weather conditions remains favorable for tree development.

The price of the durian has fallen sharply amid abundant supplies and slow consumption from its main consuming market China, reflecting unsustainable crops of durian in Central Highlands.

July coffee exports seen at 76,982 tons, up 9.7% m/m, General Department of Vietnam Customs said in statement, -29.3% y/y. January-July shipments seen at 979,353 tons, down 12.4% y/y. Despite the lower volumes, export earnings are estimated to have grown by 31% to $3.5 billion.
Anyway, USDA is optimistic about next year's coffee crop in Vietnam. Production of the Robusta variety, of which Vietnam is the world's largest producer, is now estimated at 28 million bags, up from 27.3 million in 2022/23. The Arabica crop rose by 10% to 1.1 million bags.

CENTRAL AMERICA / COLOMBIA

Good news, however, came from **Colombia**, where production increased by 22.4% to 1,159,000 bags in July. This brings the total for the first 10 months of the 2023/24 coffee year to 10,629,000 bags: 19.6% more than in the same period of 2022/23. July exports totaled 1,005,000 bags, up 18% from the same month last year. Exports for the first 10 months reached 9,798,000 bags, up 7.9%.

As per the ICO, **other Milds** Exports increased by 2.4% in June 2024 to 2.34 million bags from 2.29 million bags in the same period last year.

Costa Rican export for the month of July climbed 16% y/y to 118,150 bags whilst **Honduran** exports fell 11% in July y/y to 610,669 bags.

OTHERS

Uganda hopes to register 1.8 million coffee farms under EU deforestation regulation, Robert Nangatsa, extension manager at the Uganda Coffee Development Authority, said. Pre-registration has already begun and the full launch of the national registry of coffee producers will begin very soon.

DEMAND / INDUSTRY

JDE Peet's post 1H results above expectations with sales of €4,210 million (+5.6%). Organic sales were up by 3.6%, driven by +2.4% price and +1.2% volume/mix.

Illycaffè reports 1H consolidated revenues of €289.1 m, up 3.8%, EBITDA at €46.2 m, up 26.2% yoy. Net profit totaled €13.6 million, doubling compared to the same period in 2023.

Starbucks reported third quarter revenue at $9.1 billion versus the consensus estimate of $9.25. Starbucks's stock price closed at $75.93. It is up 3.86% in the last 3 months and down 25.24% in the last 12 months.

QUOTATION EURO / US DOLLAR

€/US$ rate	last	high	low
EUR/USD Euro/US Dollar	1,10182	1,10474	1,09865

The narrowing in the interest rates differential between the Eurozone and the US should once again begin to be a support for the EUR price. In the US, 1-year inflation expectations remained at 3%, but 3-year expectations decreased -0.6 p.p. up to 2.3%.

The growing fear of an Iranian attack on Israel (although the Iran-Israel-Gaza conflict has so far had very little impact on geopolitical risk perception and currencies) would be the biggest risk affecting the appreciation of the EUR, making the USD in a safe haven currency.

ADDITIONAL COMMENTS

A recent study published in Neurobiology of Stress found that chronic early-life stress can lead to neuroinflammation and reduce the capacity of the hippocampus to create new neurons, resulting in cognitive deficits. However, supplementing the diet with 0.02% chlorogenic acid and 0.02% caffeic acid—both coffee polyphenols—can mitigate these adverse effects in mice. Coffee polyphenols are bioactive compounds with antioxidant properties found in coffee, including chlorogenic acids, flavonoids, and lignans. These compounds help protect cells from oxidative stress and reduce inflammation, which can lower the risk of chronic diseases like cardiovascular disease and diabetes.

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