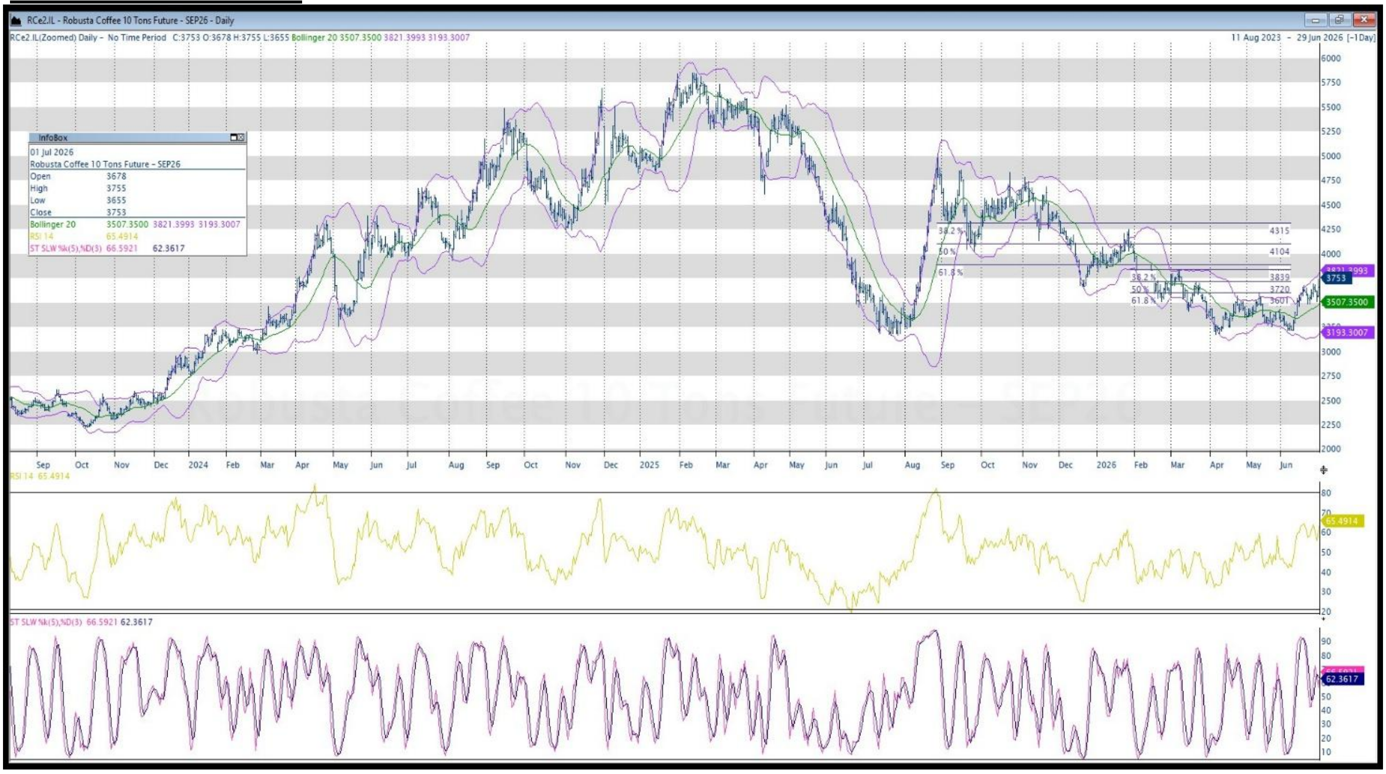
WEEKLY MARKET REPORT

LONDON ICE MARKET



LONDON ICE MARKET					
Position	**Last**	**dif**	**High**	**Low**	**Seetle**
JUL26	3845	84	3783	3783	3845
SEP26	3749	91	3758	3655	3658
NOV26	3703	91	3709	3611	3612
JAN27	3667	89	3675	3580	3578

NEW YORK					
Position	**Last**	**dif**	**High**	**Low**	**Seetle**
JUL26	311,20	20,10	314,10	312,00	311,20
SEP26	301,30	4,85	305,65	293,10	296,45
DEC26	287,10	5,00	290,20	278,45	282,10
MAR27	282,40	4,80	285,20	273,55	277,60

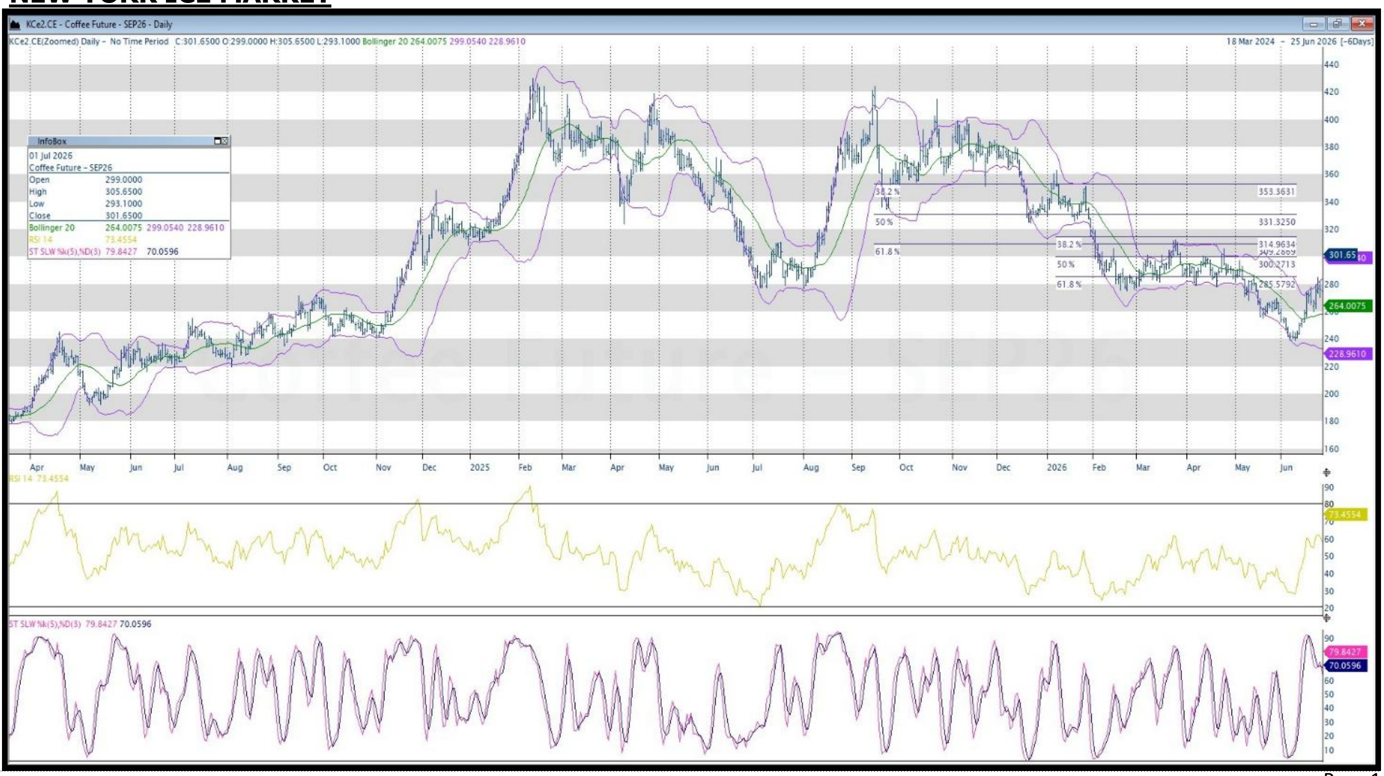
London ICE:

Supports: 3625, 3485, 3410 & 3350
Resistances: 3775, 3960, & 4010

New York ICE:

Supports: 294,50, 281,75, 274,50 & 256,50
Resistances: 298,25, 303,50 & 314,75

NEW YORK ICE MARKET



WEEKLY MARKET REPORT

BRAZIL

Brazil registrations point to a June total of about 3.1m bags – in line with the May figure. The breakdown shows a small (0.1m bags) M-o-M increase in Arabica and an equivalent decrease in Soluble. This would put full-year shipments at 38.5m bags – 10% below the 5-yr average.

Widespread rainfall occurred across São Paulo and the far south of Minas Gerais on the 24th June, with daily totals exceeding 20 mm in parts of Sul de Minas. Additional rainfall occurred on the 25th June across Sul de Minas and into Cerrado with daily totals ranging between traces up to 15 mm locally. This rainfall has delayed picking and drying and poses a risk to quality. Drier conditions are forecast in Sao Paulo and Minas Gerais through the 10-day forecast. This is welcome news – expect harvesting to proceed rapidly. No risk of frost over the next 10 days.

Cooperativa de Guaxupe reported that, as per 19th June, its members had harvested 20.1% of their crop. This compares to 24.3% on the same day last year. It equates to about 1.37m bags harvested out of an expected total of 6.8m. The breakdown by region (all Arabica) was Sul de Minas 24.5%, Cerrado Mineiro 11.7%, Matas de Minas 25% and Sao Paulo 23.9%. Safras y Mercado report that, on 24th June, 66% of the Conilon crop and 33% of the Arabica crop is picked.

VIETNAM

Domestic coffee prices remained broadly range-bound in May 2026, averaging around USD 3.40/kg and fluctuating between USD 3.34–3.45/kg. In June, market movements were mixed, with prices declining to USD 3.35–3.39/kg at the beginning of the month before recovering in the second half. Prices closed June at USD 3.47/kg, with the monthly high reaching USD 3.52/kg.

Farmer-held coffee stocks in the Central Highlands are estimated at 17–19% of the 2025/26 crop, while regional inventories continue to decline. Despite intermittent rainfall over the past two weeks, uneven precipitation has prompted many farmers to continue irrigating their coffee plantations.

Meanwhile, coffee inventory in bonded and non-bonded warehouses near Ho Chi Minh City continued to increase, reaching 151,920 MT in June-26, up from 115,850 MT in June-25 (+31.1% YoY) and 96,120 MT in June-24 (+58.1% vs. 2024). On a monthly basis, inventory rose by 22,600 MT (+17.5%) from 129,320 MT in May-26. (Source: Cafecontrol)

As the EU Packaging and Packaging Waste Regulation (PPWR) will become applicable from 12 August 2026, several Vietnamese coffee exporters and packaging suppliers have proactively started preparations for compliance. However, the industry continues to face challenges, including improving the recyclability of current multi-layer coffee packaging, balancing product protection with sustainability requirements, managing higher conversion costs, and strengthening compliance documentation. Vietnamese exporters will need to work closely with packaging suppliers to ensure alignment with EU requirements.

CENTRAL AMERICA / COLOMBIA

The dislocation between physical prices for **high-quality washed Arabicas** and the futures market suggests that futures may have gone down too fast, forcing farmers to hold back and getting desperate buyers to pay up. The only way this dislocation can be solved is through a large coffee oversupply. For specific origins like Colombia, this is difficult to achieve as only a few origins can offer a similar, premium cup profile.

Colombia elected a new president, Abelardo de la Espiella, this week which was taken positively by financial markets. The COP remains at 5-yr highs, at 3,435, up 5.5% in June.

OTHERS

Uganda shipped 0.62m bags in May (0.52m Robusta / 0.1m Arabica). This brings the combined Y-t-D (Oct – May) total to 4.9m bags - up by 8% on the same point last year and 27% above the 5-yr average.

DEMAND / INDUSTRY

According to the **report "The Economic Impact of Coffee in Europe"** produced by Europe Economics on behalf of the European Coffee Federation (ECF), the direct economic footprint of the coffee sector in the European Union amounts to €191.5 billion. Across the wider EU+ region — the EU27 plus the United Kingdom, Norway and Switzerland – the direct footprint rises to €221.6 billion of output, €98.8 billion of GVA and around 1.8 million jobs. Coffee also supports activity in the businesses that supply the coffee sector. Combining the coffee value chain itself with these supplier effects gives the sector's "core" footprint. In the EU27, the coffee sector's core footprint is estimated at €387.9 billion of output, €166.8 billion of GVA, 2.9 million jobs and €55.9 billion of sales and labour tax revenues. Across the EU+ region, the core footprint rises to €440.4 billion of output, €190.5 billion of GVA, 3.5 million jobs and €65.0 billion of tax revenues.

The **European Union** consumes a quarter of global coffee: Germany is the top importer, Italy leads the way in roasted coffee production. Brazil and Vietnam remain the EU's largest suppliers, accounting for 34.2 per cent (just over one million tonnes) and 20 per cent (587,000 tonnes) of total imports respectively. Germany and Italy are at the top of the list of the largest coffee importers. These two countries – together with Spain, Belgium, the Netherlands and France – account for almost nine-tenths of non-EU imports.

With average annual consumption of about 7m bags – down from about 8m a decade ago, **Japan** remains Asia's biggest consumer market. This is despite rapid demand growth in neighboring countries, such as China and Vietnam. In May, stocks in the ports of Yokohama, Nagoya and Kobe fell by 64k bags to 2.06m – the lowest level since 2012.

QUOTATION EURO / US DOLLAR

€/US$ rate	last	high	low
EUR/USD Euro/US Dollar	1,13945	1,1423	1,13619

The pair remains under significant structural pressure driven by widening transatlantic policy divergence, with the Federal Reserve's hawkish pivot toward potential rate hikes contrasting sharply with the ECB's constrained tightening capacity amid a downgraded 2026 Eurozone growth forecast of just 0.8%.

Markets are pricing approximately 60% odds of Fed tightening by September while expecting only 28 basis points of additional ECB hikes by year-end, a differential that fundamentally favours sustained dollar strength. The partial de-escalation of US-Iran tensions following the weekend ceasefire agreement has provided modest euro relief by easing energy import cost fears for the Eurozone, though this geopolitical risk remains a latent binary catalyst for the pair.

ADDITIONAL COMMENTS

The ICO reported global shipments at 12.38m bags in May. This is almost unchanged on April but 0.41m less than in May 2025. There were no significant revisions to prior months. It brings the coffee Y-t-D (Oct – May) total to 94.8m bags which is just 0.1m less than in at the same point in 24/25, but 5m bags (over 5%) above the 5-yr average. The figures show a continued shift in supply away from Arabica to Robusta. Total Arabica shipments are down by 3.7m bags (6%) Y-o-Y to 54.5m, while Robusta is up by 3.6m (10%). The Brazil Naturals category (which includes Semi-Washed and Ethiopia) has seen the biggest Y-o-Y decline – down by 5m bags (16%). This is closely followed by the Colombian Milds category (which includes Tanzania and Kenya) which is down by 1.3m bags (13%). The decline in Arabica supply is partially offset by 'Other Milds' which is up by 2.6m (16%) Y-o-Y.

Arabica coffee futures rise again due to rain in Brazil, markets fear the arrival of **"Godzilla El Niño."** According to the NOAA (National Oceanic and Atmospheric Administration), there is a 63 per cent probability that the phenomenon will become very strong by the end of the year: hence the informal nicknames given by scientists, who have dubbed it 'super El Niño' or 'El Niño Godzilla'. The World Meteorological Organisation (WMO) is more cautious, arguing that it is still too early to determine the intensity of the phenomenon, which in any case risks exacerbating an already precarious food situation in many poor countries, caused by high energy prices and reduced supplies of fertilizer.