

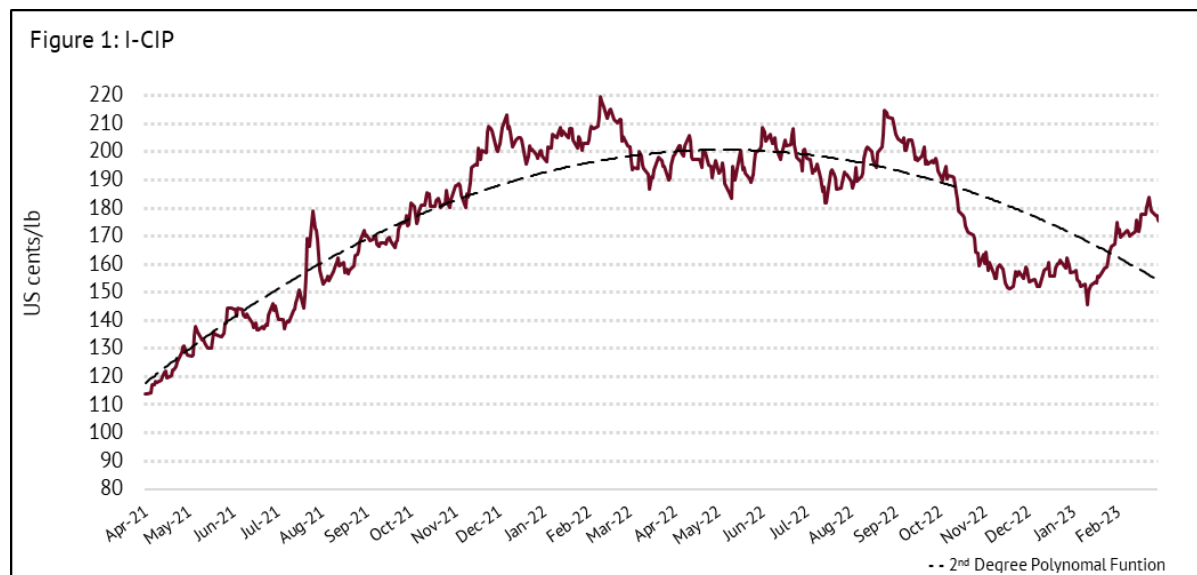


Colombian Milds-Other Milds differential tightens, I-CIP averages 170.03 US cents/lb in March 2023.

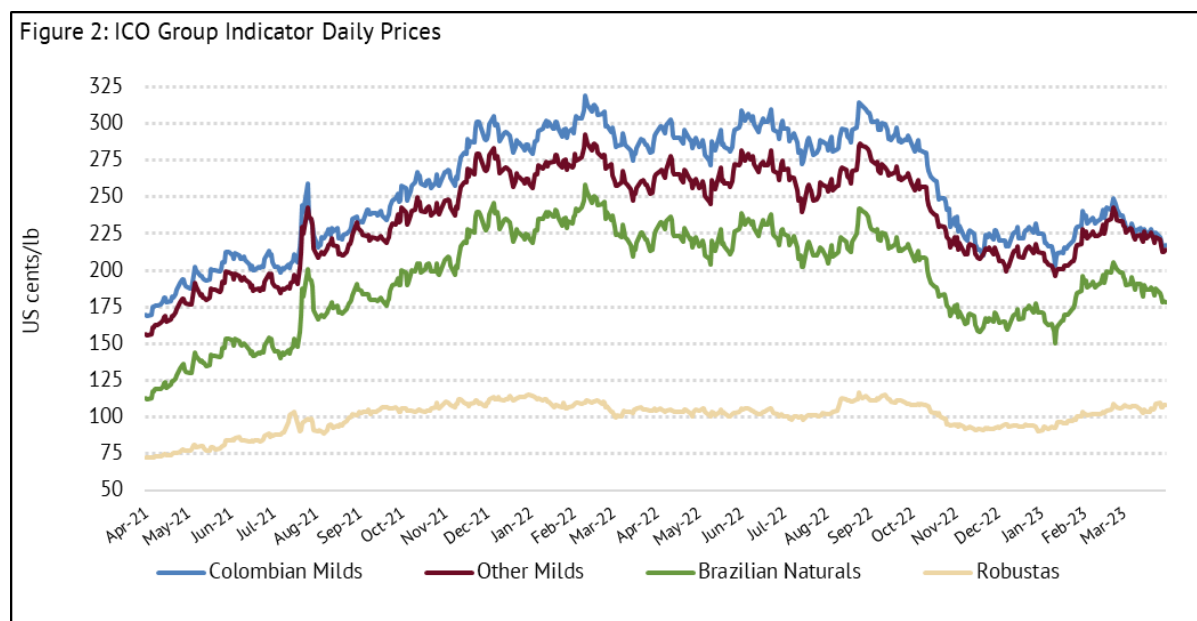
- The ICO Composite Indicator Price (I-CIP) lost 2.7% from February 2023 to March 2023, averaging 170.03 US cents/lb for the latter, whilst posting a median value of 170.11 US cents/lb.
- Average prices for all group indicators decreased in March 2023, except for the Robustas.
- The Colombian Milds-Other Milds led the way, shrinking 66.8% to 2.87 US cents/lb.
- The arbitrage, as measured between the New York and London Futures market contracted 8.2%, closing in at 79.57 US cents/lb in March 2023, from 86.67 US cents/lb in February 2023.
- Intra-day volatility of the I-CIP decreased 0.6 percentage points between February 2023 and March 2023, reaching 8.1%.
- The New York certified stocks decreased 6.7% from the previous month, closing in at 0.80 million 60-kg bags, whilst certified stocks of Robusta coffee reached 1.27 million 60-kg bags, representing an increase of 7.2%.
- Global green bean exports in February 2023 totaled 7.94 million bags, as compared with 9.95 million bags in the same month of the previous year, down 20.23%.
- Shipments of the Other Milds decreased by 16.0% in February 2023 to 1.72 million bags from 2.04 million bags in the same period last year.
- Green bean exports of the Brazilian Naturals fell in February 2023, diminishing by 33.0% to 2.34 million bags.
- Exports of the Colombian Milds decreased by 6.8% to 0.99 million bags in February.
- Green bean exports of the Robustas amounted to 2.89 million bags in February 2023, as compared with 3.35 million bags in February 2022
- In February 2023, South America's exports of all forms of coffee decreased by 29.8% to 3.48 million bags.
- Exports of all forms of coffee from Asia & Oceania decreased by 15.3% to 2.99 million bags in February 2023
- Exports of all forms of coffee from Africa increased by 2.2% to 1.02 million bags in February 2023 from 1.0 million bags in February 2022.
- In February 2023, exports of all forms of coffee from Mexico & Central America were up 2.4% to 1.42 million bags as compared with 1.39 million in February 2022.
- Total exports of soluble coffee increased by 5.8% in February 2023 to 0.92 million bags from 0.87 million bags in February 2022.
- Exports of roasted beans were up 6.2% in February 2023 to 50,140 bags, as compared with 47,212 bags in February 2022.
- World coffee production decreased by 1.4% to 168.5 million bags in coffee year 2021/22; however, it is expected to bounce back by 1.7% to 171.3 million bags in 2022/23.
- World coffee consumption increased by 4.2% to 175.6 million bags in coffee year 2021/22. It is expected to increase to 178.5 million bags in coffee year 2022/23.
- As a result, the world coffee market is expected to undergo another year of deficit, with a shortfall of 7.3 million bags in coffee year 2022/23.

Green Coffee Price

The ICO Composite Indicator Price (I-CIP) lost 2.7% from February 2023 to March 2023, averaging 170.03 US cents/lb for the latter, whilst posting a median value of 170.11 US cents/lb. In March 2023, the I-CIP fluctuated between 164.36 and 175.93 US cents/lb.

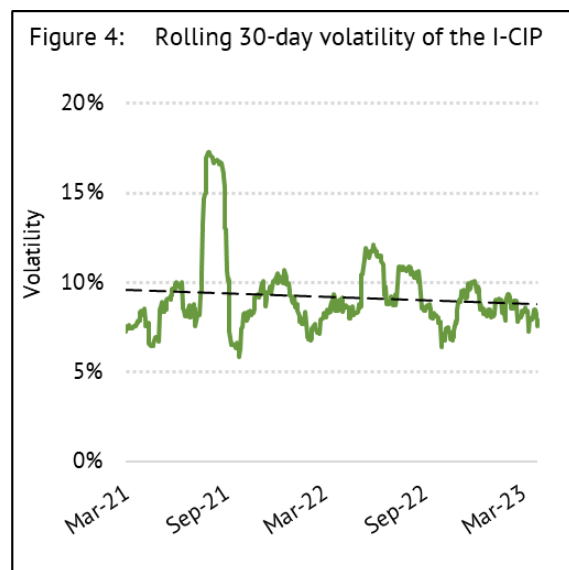
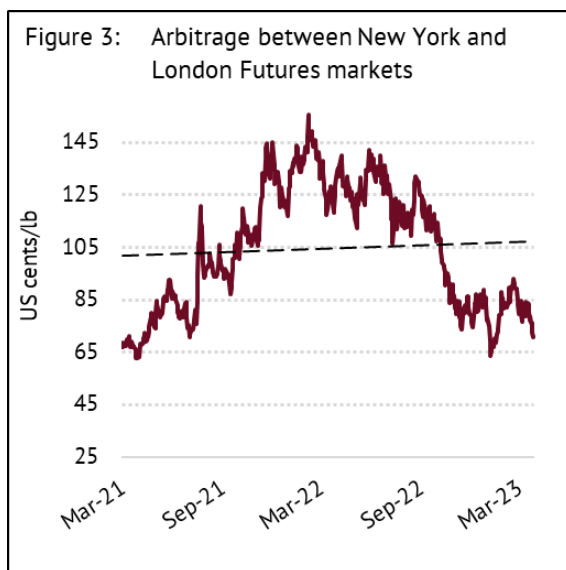


Average prices for all group indicators decreased in March 2023, except for the Robustas. The Colombian Milds and Other Milds decreased by 5.5% and 3.2%, to 225.23 and 222.36 US cents/lb, respectively, in March 2023. However, the Brazilian Naturals lost 4.2% whilst the Robustas gained 2.5%, reaching an average of 187.02 and 106.49 US cents/lb. The London Futures market grew 2.5% whilst ICE's New York market shrank by 2.6%.

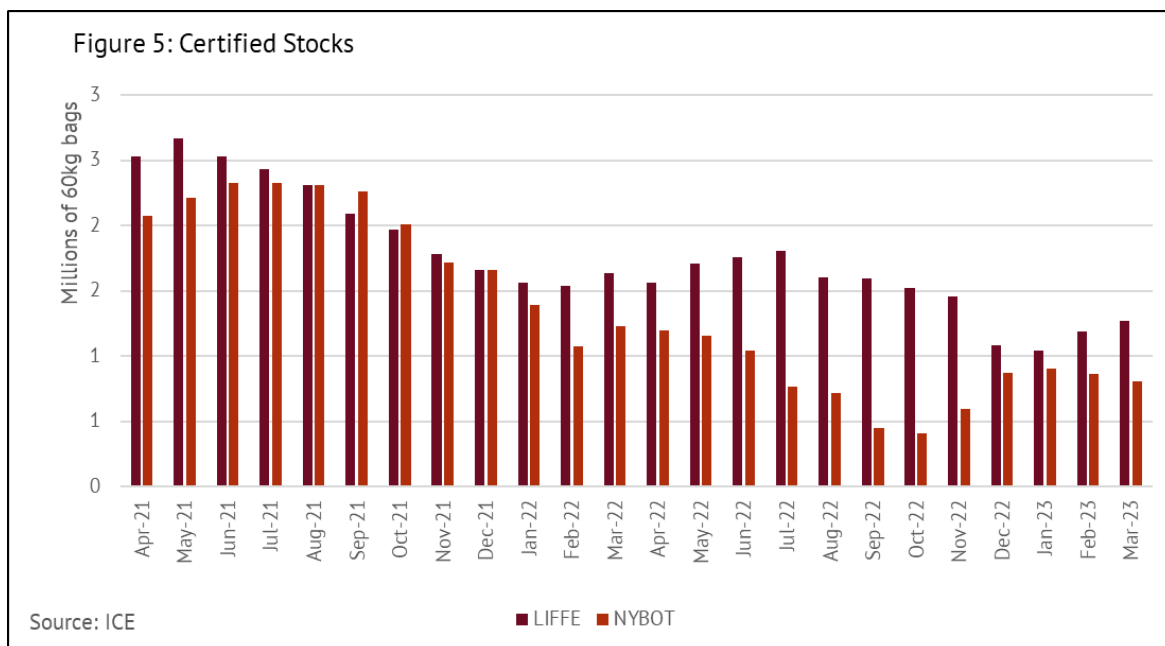


The Colombian Milds-Other Milds led the way, shrinking 66.8% to 2.87 US cents/lb. Similarly, the Brazilian Naturals-Robustas and Colombian Milds-Robustas differentials both lost 11.7%, reaching 80.53 and 118.74 US cents/lb in March 2023. The Colombian Milds-Brazilian Naturals echoed this loss, closing in at 38.21 US cents/lb, a 11.6% loss from the month before. Presenting a more moderate loss, the Other Milds-Robustas differential contracted by 7.9%, closing the month at 115.87 US cents/lb. Conversely, the Other Milds-Brazilian Naturals differential expanded 2.3%, reaching 35.34 US cents/lb in March 2023.

The arbitrage, as measured between the New York and London Futures market, contracted 8.2%, closing in at 79.57 US cents/lb in March 2023, from 86.67 US cents/lb in February 2023.



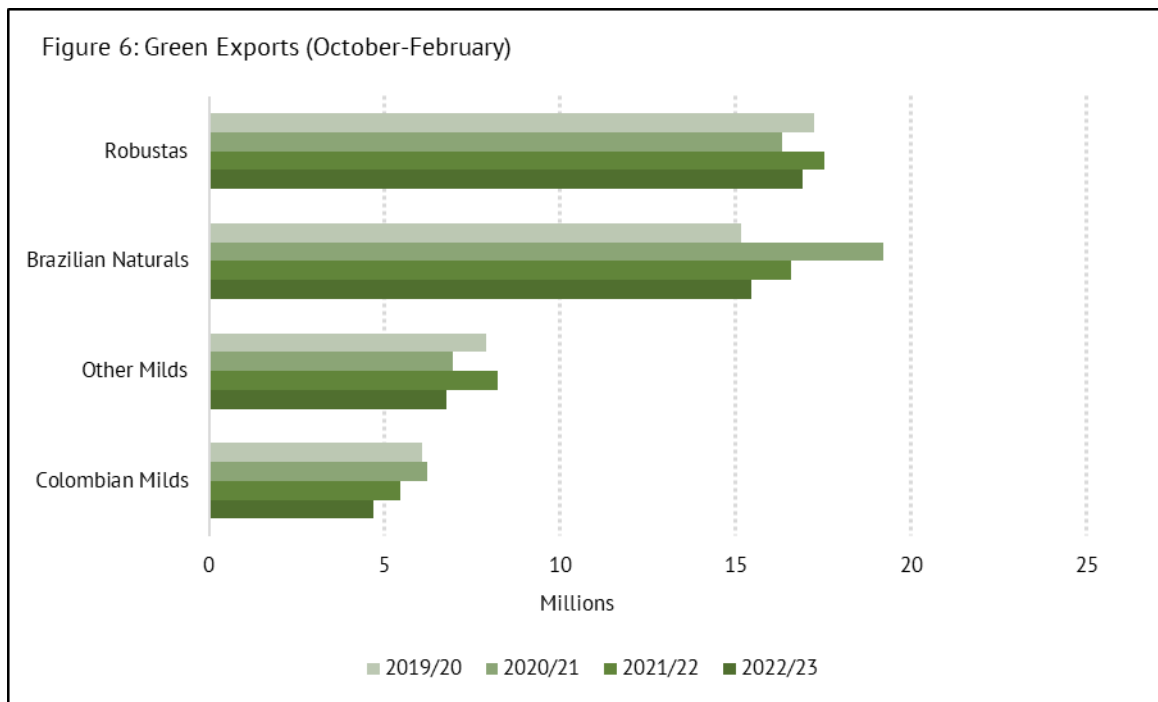
Intra-day volatility of the I-CIP decreased 0.6 percentage points between February 2023 and March 2023, reaching 8.1%. The Brazilian Naturals' volatility presented the strongest volatility contraction, averaging 10.3% for the month of March 2023, a 1.8 percentage point loss. Echoing this reduction in volatility were the New York Futures and London markets, where 1.6 and 0.7 percentage points were lost, averaging 11% and 7.1%, respectively, for March 2023. Whilst volatility for the Other Milds remained stable at 8.8%, the Colombian Milds decreased by 0.5 percentage points to 8.7%. Conversely, the Robustas gained 0.1 percentage point of volatility from February to March, averaging 6.3% for the latter.



The New York certified stocks decreased 6.7% from the previous month, closing in at 0.80 million 60-kg bags, whilst certified stocks of Robusta coffee reached 1.27 million 60-kg bags, representing an increase of 7.2%.

Exports by Coffee Groups – Green Beans

Global green bean exports in February 2023 totaled 7.94 million bags, as compared with 9.95 million bags in the same month of the previous year, down 20.23%. The downturn was spread across all coffee groups. As a result, the cumulative total exports of green beans for coffee year 2022/23 are decreasing at an accelerated rate, down 8.5%, as compared with the 5.5% decrease observed for the first four months of the current coffee year. The cumulative total for 2022/23 to February is 43.77 million bags as compared with 47.85 million bags over the same a year ago.

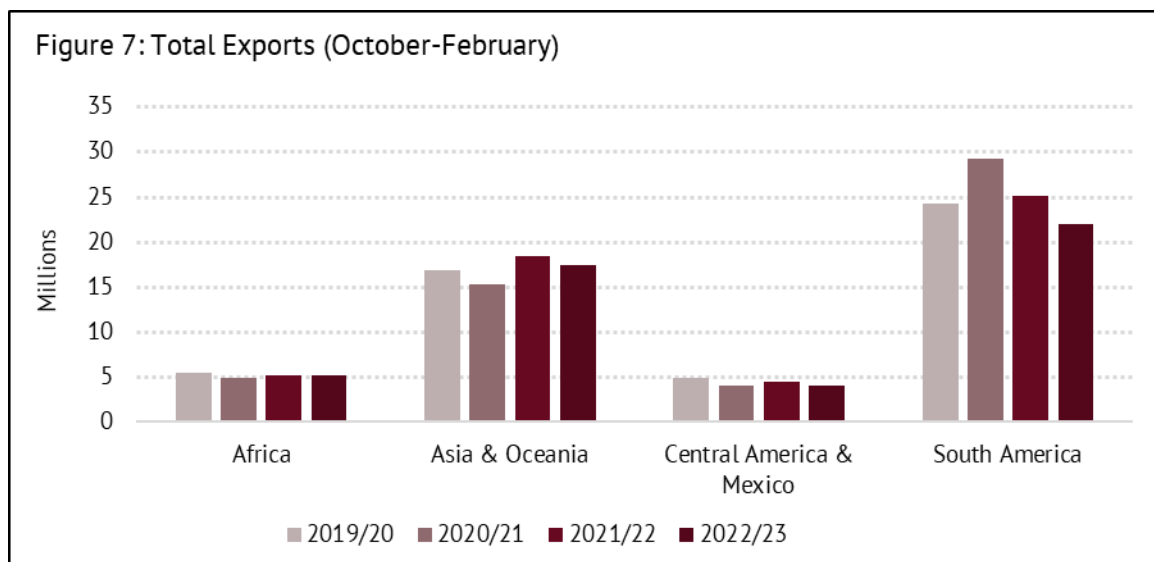


Shipments of the Other Milds decreased by 16.0% in February 2023 to 1.72 million bags from 2.04 million bags in the same period last year. This is the fifth consecutive month of negative growth for green bean exports of the Other Milds since the start of the new coffee year. As a result, the cumulative volume of exports fell by 18.5% in the first five months of coffee year 2022/23 to 6.75 million bags from 8.28 million bags over the same period in coffee year 2021/22.

Green bean exports of the Brazilian Naturals fell in February 2023, diminishing by 33.0% to 2.34 million bags. For the first five months of coffee year 2022/23, green bean exports of the Brazilian Naturals amounted to 15.4 million bags, down 7.0% from 16.61 million bags over the same period a year ago. Not surprisingly, the shifting fortunes of the Brazilian Naturals reflected the changes in Brazil's green bean exports, the biggest producer and exporter of the Brazilian Naturals, which also fell in February 2023 (down 35.4%) to 2.11 million bags from 3.27 million bags in February 2022.

Exports of the Colombian Milds decreased by 6.8% to 0.99 million bags in February 2023 from 1.06 million bags in February 2022, driven primarily by Colombia, the main origin of this group of coffee, whose exports of green beans were down 5.7% in February 2023. As a result of the continued downturn, exports of the Colombian Milds from October 2022 to February 2023 were down by 14.1%, at 4.67 million bags, as compared with 5.43 million bags in the first five months of coffee year 2021/22.

Green bean exports of the Robustas amounted to 2.89 million bags in February 2023, as compared with 3.35 million bags in February 2022, down 13.7%. As a result, the shipments in the first five months of coffee year 2022/23 were down to 16.91 million bags from 17.53 million bags in the same period in coffee year 2021/22.



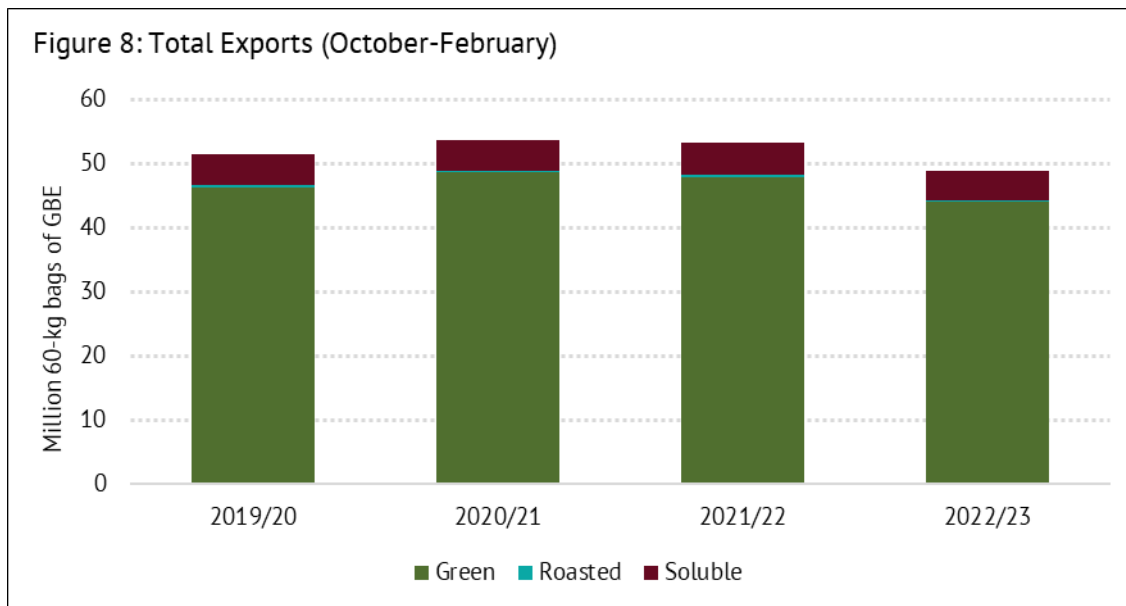
Exports by Regions – All Forms of Coffee

In February 2023, South America’s exports of all forms of coffee decreased by 29.8% to 3.48 million bags, driven by the three main origins of the region, Brazil, Colombia and Peru, which saw their combined exports fall by 30.7%. The two major origins of the region, Brazil and Colombia, saw their respective shipments of coffee decrease by 32.5% and 5.1% in February 2023, falling to 2.41 million bags and 0.94 million bags. Peru is continuing to see its exports fall at a significantly faster rate, plunging by 44.6% in February 2023.

Exports of all forms of coffee from Asia & Oceania decreased by 15.3% to 2.99 million bags in February 2023 and were down 5.6% to 17.4 million bags in the first five months of coffee year 2022/23. Vietnam and India are the main drivers behind the latest downturn. The former’s exports are down by 25.3% to 1.79 million bags from 2.39 million bags in February 2022, while the latter’s also decreased by 9.5% to 0.49 million bags from 0.54 million bags in the same period.

Exports of all forms of coffee from Africa increased by 2.2% to 1.02 million bags in February 2023 from 1.0 million bags in February 2022. For the first five months of the current coffee year, exports totalled 5.23 million bags as compared with 5.15 million bags in coffee year 2021/22, up 1.4%. Uganda is the main driver behind the jump in the region’s exports, with shipments of coffee increasing by 6.6% to 0.48 million bags as compared with 0.45 million bags in February 2022. Burundi, Côte d’Ivoire and the Democratic Republic of Congo are three other origins of note for February 2023, with their exports up 62.5%, 18.1% and 30.0%, respectively, adding to Uganda’s upward impetus within the region. Kenya was another notable origin in February 2023, though for different reasons, with exports down 43.5%.

In February 2023, exports of all forms of coffee from Mexico & Central America were up 2.4% to 1.42 million bags as compared with 1.39 million in February 2022. For the first five months of the current coffee year, however, exports remain down 10.1%, totalling 4.03 million bags as compared with 4.48 million bags in October–February 2021/22. However, the region’s latest export results broke the four consecutive months of negative growth thanks to Costa Rica (up 6.2%), Dominican Republic (up 95.6%), El Salvador (up 12.9%) and Nicaragua (up 35.1%).



Exports of Coffee by Forms

Total exports of soluble coffee increased by 5.8% in February 2023 to 0.92 million bags from 0.87 million bags in February 2022. In the first five months of coffee year 2022/23, a total of 4.59 million bags of soluble coffee were exported, representing a decrease of 11.2% from the 5.09 million bags exported in the same period during the previous coffee year. Soluble coffee's share in the total exports of all forms of coffee was 10.2% (measured on a moving 12-month average) in February 2023, up from 10.1% in February 2022. Brazil is the largest exporter of soluble coffee, shipping 0.3 million bags in February 2023.

Exports of roasted beans were up 6.2% in February 2023 to 50,140 bags, as compared with 47,212 bags in February 2022. The cumulative total for coffee year 2022/23 to February 2023 was 292,247 bags, as compared with 336,790 bags in same period a year ago.

Production and Consumption

World coffee production decreased by 1.4% to 168.5 million bags in coffee year 2021/22, hampered by the off-biennial production and negative meteorological conditions in a number of key origins. However, it is expected to bounce back by 1.7% to 171.3 million bags in 2022/23. Increased global fertiliser costs and adverse weather conditions are expected to partially offset the positive impact of biennial production from Brazil, explaining the relatively low rate of growth in coffee year 2022/23. The impact of biennial production is anticipated to drive the outlook for Arabica, which is projected to increase by 4.6% to 98.6 million bags in coffee year 2022/23, following a 7.2% decrease the previous coffee year. Reflecting its cyclical output, Arabica's share of the total coffee production is expected to increase to 57.5% from 55.9% in coffee year 2021/22. South America is and will remain the largest producer of coffee in the world, despite suffering from the largest drop in output for almost 20 years, which fell by 7.6% in coffee year 2021/22. The recovery in coffee year 2022/23, partly driven by biennial production, is expected to push the region's output to 82.4 million bags, a rise of 6.2%.

World coffee consumption increased by 4.2% to 175.6 million bags in coffee year 2021/22, following a 0.6% rise the previous year. Release of the pent-up demand built-up during the COVID-19 years and sharp global economic growth of 6.0% in 2021, explains the bounce back in coffee consumption in coffee year 2021/22. Decelerating world economic growth rates for 2022 and 2023, coupled with the dramatic rise in the cost of living, will have an impact on the coffee consumption for coffee year 2022/23. It is expected to grow, but at a decelerating rate of 1.7% to 178.5 million bags. The global deceleration is expected to come from non-producing countries, with Europe’s coffee consumption predicted to suffer the largest decrease among all regions, with growth rates falling to 0.1% in coffee year 2022/23 from a 6.0% expansion in coffee year 2021/22.

As a result, the world coffee market is expected to undergo another year of deficit, with a shortfall of 7.3 million bags.

This outlook is taken from the newest publication of the Statistics Section of the Secretariat of the International Coffee Organization (ICO), the Coffee Report and Outlook (CRO). The CRO offers an insight into the factors moving the global coffee industry in the most recent past and draws out the potential events that may drive the industry in the near future. For further information on the CRO, please contact the Statistics Section at stats@ico.org.

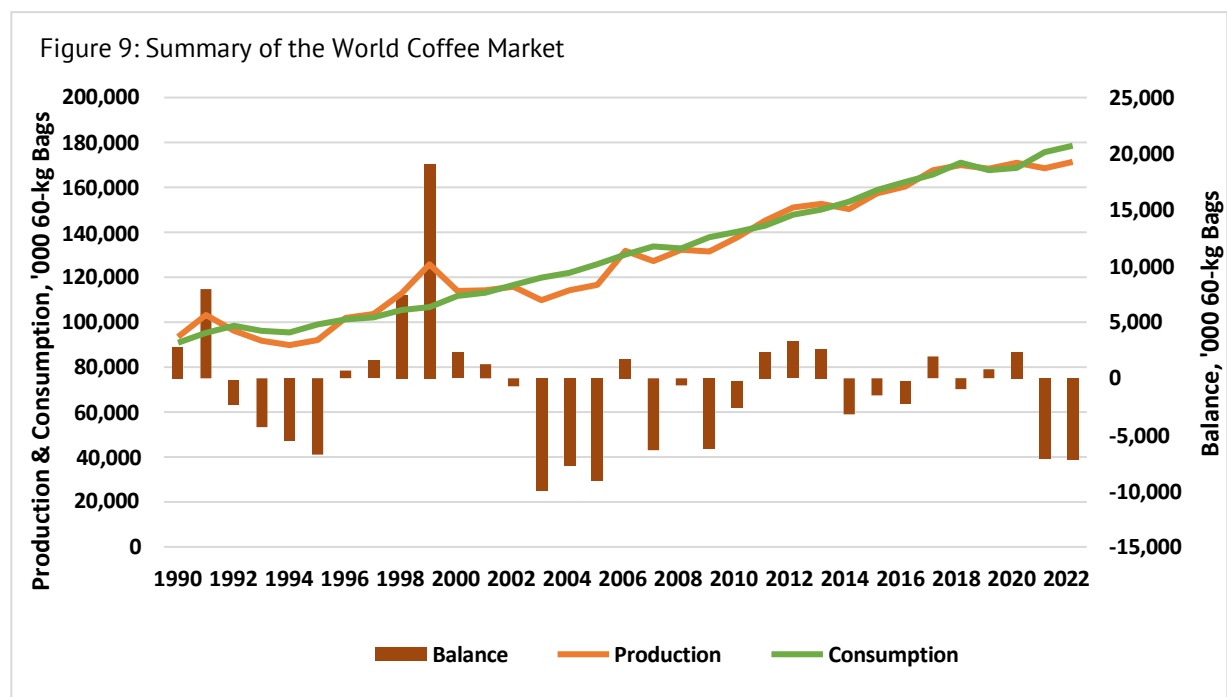


Table 1: ICO daily indicator prices and futures prices (US cents/lb)

	ICO Composite	Colombian Milds	Other Milds	Brazilian Naturals	Robustas	New York*	London*
Monthly averages							
Apr-22	198.37	292.64	265.40	226.11	103.96	225.37	95.07
May-22	193.71	286.44	260.42	217.84	103.10	218.61	94.31
Jun-22	202.46	301.57	273.69	230.40	103.81	229.38	94.48
Jul-22	190.82	286.07	255.91	214.80	100.44	210.84	89.60
Aug-22	200.11	295.66	268.43	221.91	109.65	218.53	98.75
Sep-22	199.63	294.09	267.49	219.59	111.36	218.24	100.49
Oct-22	178.54	261.95	240.08	192.27	103.01	191.72	92.16
Nov-22	156.66	223.22	213.85	166.54	92.59	164.80	82.67
Dec-22	157.19	224.12	210.24	169.00	93.76	166.21	83.95
Jan-23	156.95	218.91	206.76	170.03	95.98	159.80	85.82
Feb-23	174.77	238.39	229.73	195.18	103.93	180.93	94.26
Mar-23	170.03	225.23	222.36	187.02	106.49	176.17	96.60
% change between Feb-23 and Mar-23							
	-2.7%	-5.5%	-3.2%	-4.2%	2.5%	-2.6%	2.5%
Volatility (%)							
Feb-23	8.7%	9.2%	8.8%	12.1%	6.2%	12.6%	7.8%
Mar-23	8.1%	8.7%	8.8%	10.3%	6.3%	11.0%	7.1%
Variation between Feb-23 and Mar-23							
	-0.6	-0.5	0.0	-1.8	0.1	-1.6	-0.7

* Average prices for 2nd and 3rd positions

Table 2: Price differentials (US cents/lb)

	Colombian Milds Other Milds	Colombian Milds Brazilian Naturals	Colombian Milds Robustas	Other Milds Brazilian Naturals	Other Milds Robustas	Brazilian Naturals Robustas	New York* London*
Apr-22	27.24	66.53	188.68	39.28	161.44	122.15	130.30
May-22	26.02	68.60	183.34	42.57	157.32	114.75	124.30
Jun-22	27.88	71.18	197.76	43.29	169.88	126.59	134.90
Jul-22	30.16	71.27	185.63	41.10	155.46	114.36	121.24
Aug-22	27.23	73.75	186.01	46.52	158.78	112.26	119.79
Sep-22	26.60	74.50	182.74	47.90	156.13	108.23	117.74
Oct-22	21.87	69.68	158.94	47.82	137.07	89.25	99.56
Nov-22	9.37	56.68	130.63	47.31	121.26	73.95	82.13
Dec-22	13.88	55.12	130.36	41.24	116.48	75.24	82.26
Jan-23	12.15	48.88	122.93	36.73	110.78	74.05	73.97
Feb-23	8.66	43.21	134.46	34.55	125.80	91.25	86.67
Mar-23	2.87	38.21	118.74	35.34	115.87	80.53	79.57
% change between Feb-23 and Mar-23							
	-66.8%	-11.6%	-11.7%	2.3%	-7.9%	-11.7%	-8.2%

* Average prices for 2nd and 3rd positions

Table 3: World Supply/Demand Balance

Coffee year commencing	2017	2018	2019	2020	2021	2022*	% change 2022/21
PRODUCTION	167,568	169,884	168,387	170,868	168,485	171,268	1.7%
Arabica	97,862	99,615	96,670	101,577	94,248	98,559	4.6%
Robusta	69,707	70,269	71,717	69,290	74,237	72,709	-2.1%
Africa	17,428	18,523	18,698	19,281	19,132	19,405	1.4%
Asia & Oceania	52,214	48,069	49,307	47,912	52,102	49,713	-4.6%
Mexico & Central America	21,475	21,361	19,321	19,747	19,655	19,726	0.4%
South America	76,453	81,934	81,064	83,937	77,596	82,424	6.2%
CONSUMPTION	165,637	170,876	167,593	168,569	175,605	178,534	1.7%
Exporting countries	51,575	52,234	51,441	52,518	53,615	55,369	3.3%
Importing countries (Coffee Years)	114,062	118,642	116,152	116,051	121,991	123,165	1.0%
Africa	11,707	11,921	12,034	12,552	12,877	13,403	4.1%
Asia & Oceania	38,819	39,572	39,198	41,289	42,828	44,162	3.1%
Mexico & Central America	5,667	5,805	5,857	5,882	5,967	6,124	2.6%
Europe	53,523	55,449	53,953	52,237	55,359	55,388	0.1%
North America	29,939	31,789	30,581	30,228	31,679	32,078	1.3%
South America	25,981	26,340	25,969	26,381	26,895	27,379	1.8%
BALANCE	1,932	-992	794	2,298	-7,120	-7,266	

*preliminary estimates

Table 4: Total exports by exporting countries

	Feb-22	Feb-23	% change	Year to Date Coffee Year		
				2021/22	2022/23	% change
TOTAL	10,863	8,904	-18.0%	53,281	48,656	-8.7%
Arabicas	7,061	5,610	-20.6%	33,132	29,498	-11.0%
<i>Colombian Milds</i>	1,149	1,076	-6.3%	5,894	5,147	-12.7%
<i>Other Milds</i>	2,214	1,963	-11.3%	9,381	7,850	-16.3%
<i>Brazilian Naturals</i>	3,698	2,570	-30.5%	17,857	16,501	-7.6%
Robustas	3,802	3,294	-13.4%	20,149	19,158	-4.9%

In thousand 60-kg bags

Monthly trade statistics are available upon subscription

Table 5: Certified stocks on the New York and London futures markets

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
New York	1.20	1.16	1.04	0.77	0.72	0.45	0.41	0.59	0.87	0.91	0.86	0.80
London	1.56	1.71	1.76	1.80	1.61	1.59	1.52	1.45	1.08	1.04	1.19	1.27

In million 60-kg bags

Explanatory Note for Table 3

For each year, the Secretariat uses statistics received from Members to provide estimates and forecasts for annual production, consumption, trade and stocks. As noted in paragraph 100 of document [ICC 120-16](#), these statistics can be supplemented and complemented by data from other sources when information received from Members is incomplete, delayed or inconsistent. The Secretariat also considers multiple sources for generating supply and demand balance sheets for non-Members.

The Secretariat uses the concept of the marketing year, that is the coffee year commencing on 1 October of each year, when looking at the global supply and demand balance. Coffee-producing countries are located in different regions around the world, with various crop years, i.e. the 12-month period from one harvest to the next. The crop years currently used by the Secretariat commence on 1 April, 1 July and 1 October. To maintain consistency, the Secretariat converts production data from a crop year basis to a marketing year basis depending on the harvest months for each country. Using a coffee year basis for the global coffee supply and demand, as well as prices, ensures that analysis of the market situation occurs within the same time period.

For example, the 2018/19 coffee year began on 1 October 2018 and ended 30 September 2019. However, for producers with crop years commencing on 1 April, the crop year production occurs across two coffee years. Brazil's 2018/19 crop year began on 1 April 2018 and finished 31 March 2019, covering the first half of coffee year 2018/19. However, Brazil's 2019/20 crop year commenced 1 April 2019 and ended 31 March 2020, covering the latter half of coffee year 2019/20. In order to bring the crop year production into a single coffee year, the Secretariat would allocate a portion of the April–March 2018/19 crop year production and a portion of the April–March 2019/20 production into 2018/19 coffee year production.

It should be noted that while estimates for coffee year production are created for each individual country, these are made for the purpose of creating a consistent aggregated supply-demand balance for analytical purposes and does not represent the production occurring on the ground within the individual countries.

Note:

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