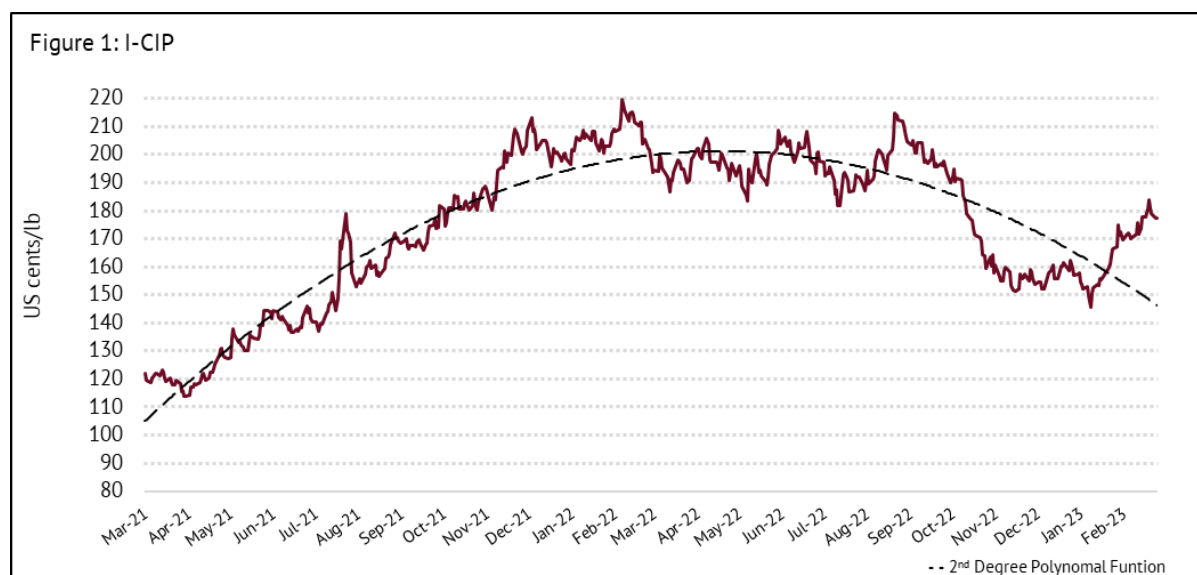


Reduced exports for current coffee year drive I-CIP up 11.4% in February 2023

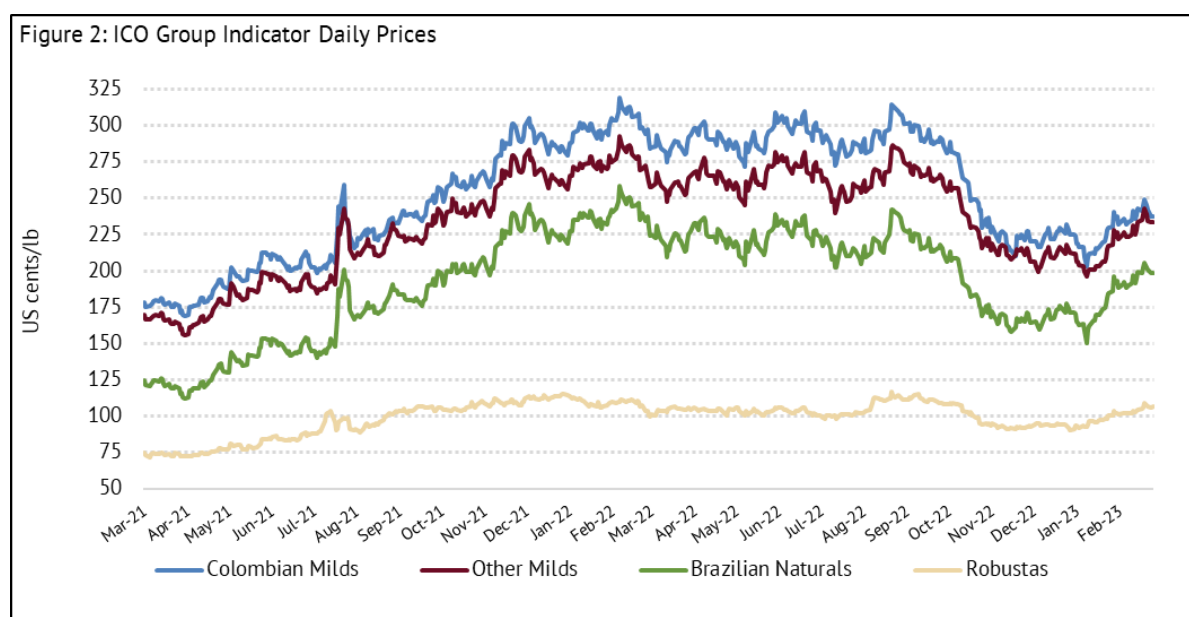
- The ICO Composite Indicator Price (I-CIP) gained 11.4% from January 2023 to February 2023, averaging 174.77 US cents/lb for the latter, whilst posting a median value of 173.20 US cents/lb.
- Average prices for all group indicators increased in February 2023.
- The Colombian Milds-Other Milds and Colombian Milds-Brazilian Naturals differentials are leading the way, shrinking 28.8% and 11.6% to 8.66 and 43.21 US cents/lb, respectively.
- The arbitrage between the New York and London Futures markets expanded by 17.2%, closing in at 86.67 US cents/lb in February 2023, from 73.97 US cents/lb in January 2023.
- Intra-day volatility of the I-CIP increased 0.1 percentage point between January 2023 and February 2023, reaching 8.7%.
- The New York certified stocks decreased by 5.1% from the previous month, closing in at 0.86 million 60-kg bags, whilst certified stocks of Robusta coffee reached 1.19 million 60-kg bags, representing an increase of 13.8%.
- Global green bean exports in January 2023 totalled 8.69 million bags, as compared with 10.23 million bags in the same month of the previous year, down 15.0%.
- Green beans shipments of the Other Milds decreased by 17.7% in January 2023 to 1.59 million bags from 1.93 million bags in the same period last year.
- Green bean exports of the Brazilian Naturals fell in January 2023, falling by 17.2% to 2.78 million bags.
- Exports of the Colombian Milds decreased by 20.9% to 0.87 million bags in January 2023 from 1.1 million bags in January 2022.
- Green bean exports of the Robustas amounted to 3.45 million bags in January 2023, as compared with 3.84 million bags in January 2022, a 10.1% decrease.
- In January 2023, South America's exports of all forms of coffee decreased by 19.9% to 3.93 million bags, driven by the three main origins of the region, Brazil, Colombia and Peru, which saw their combined exports fall by 20.9%.
- Exports of all forms of coffee from Asia & Oceania fell by 17.2% to 3.45 million bags in January 2023 and were down 3.3% to 14.42 million bags in the first four months of coffee year 2022/23.
- Exports of all forms of coffee from Africa increased by 19.5% to 1.11 million bags in January 2023 from 0.93 million bags in January 2022.
- In January 2023, exports of all forms of coffee from Mexico & Central America were down 5.0% to 1.21 million bags as compared with 1.27 million in January 2022.
- Total exports of soluble coffee decreased by 3.0% in January 2023 to 0.95 million bags from 0.98 million bags in January 2022.
- Soluble coffee's share in the total exports of all forms of coffee was 10.1%.
- Exports of roasted beans were down 9.2% in January 2023 to 61,683 bags, as compared with 67,918 bags in January 2022.

Green Coffee Price

The ICO Composite Indicator Price (I-CIP) gained 11.4% from January 2023 to February 2023, averaging 174.77 US cents/lb for the latter, whilst posting a median value of 173.20 US cents/lb. In February 2023, the I-CIP fluctuated between 169.47 and 183.85 US cents/lb.

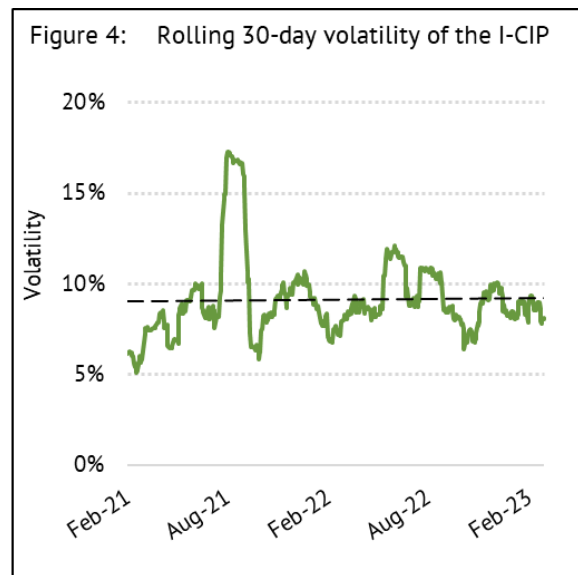
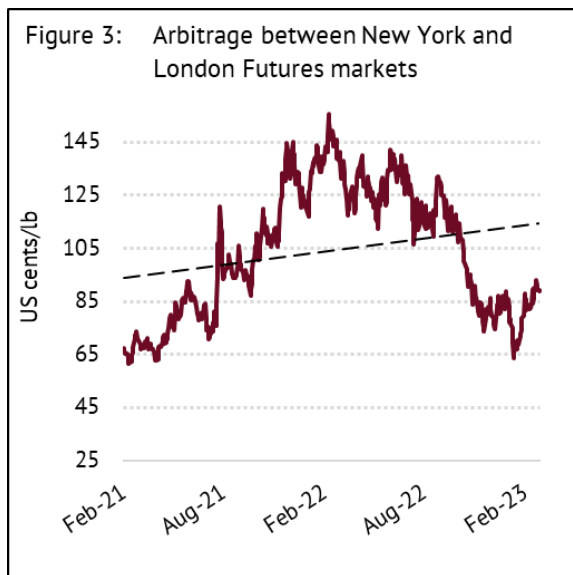


Average prices for all group indicators increased in February 2023. The Colombian Milds and Other Milds increased by 8.9% and 11.1%, to 238.39 and 229.73 US cents/lb, respectively, in February 2023. However, the Brazilian Naturals and the Robustas gained 14.8% and 8.3%, reaching an average of 195.18 and 103.93 US cents/lb. The London Futures market grew 9.8% whilst ICE's New York market shrank by 13.2%.

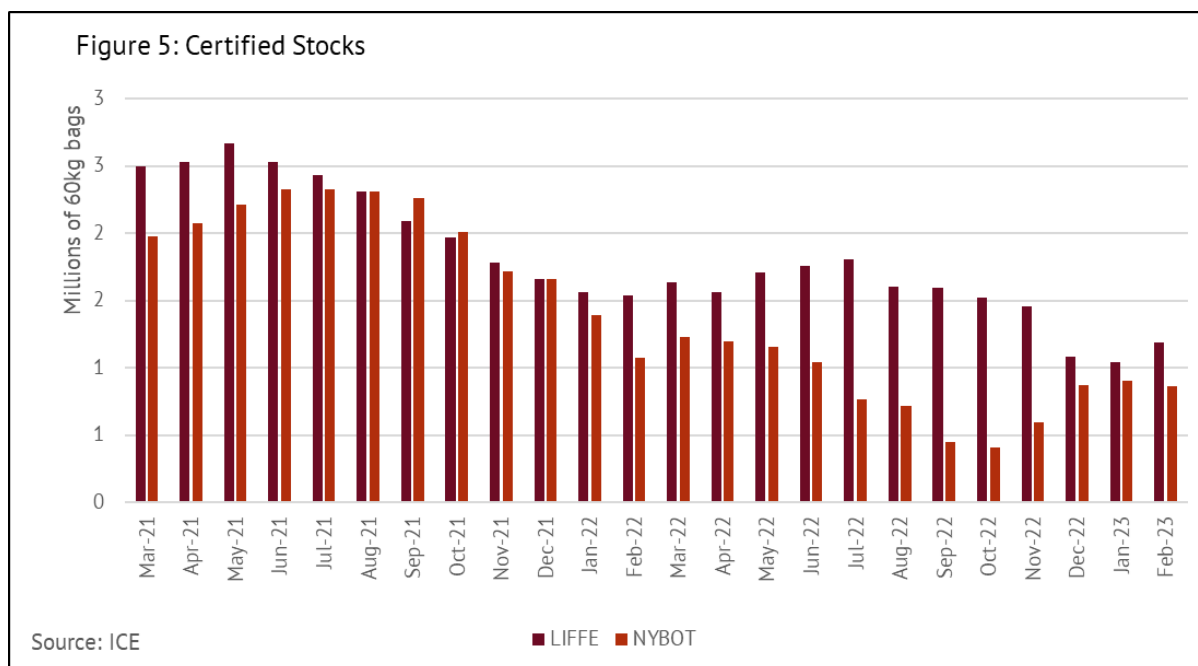


The Colombian Milds-Other Milds and Colombian Milds-Brazilian Naturals differentials are leading the way, shrinking 28.8% and 11.6% to 8.66 and 43.21 US cents/lb, respectively. The Other Milds-Brazilian Naturals differential also lost 5.9%, averaging 34.55 US cents/lb for the month of February 2023. Conversely, the Colombian Milds-Robustas and Other Milds-Robustas differentials grew by 9.4% and 13.6%, closing the month at 134.46 and 125.80 US cents/lb. The Brazilian Naturals-Robustas differential presented the strongest growth of 23.2% from January 2023 to February 2023, reaching 91.25 US cents/lb.

The arbitrage, as measured between the New York and London Futures market expanded 17.2%, closing in at 86.67 US cents/lb in February 2023, from 73.97 US cents/lb in January 2023.



Intra-day volatility of the I-CIP increased 0.1 percentage point between January 2023 and February 2023, reaching 8.7%. Robustas and the London Futures market were the least volatile amongst all group indicators, at 6.2% and 7.8%, respectively, in February 2023. The Brazilian Naturals' volatility was the highest amongst the group indicators, averaging 12.1%, a 0.3 percentage point increase from the previous month. Whilst the volatility of the Colombian Milds stayed constant at 9.2%, the Other Milds, contracted 0.1 percentage point to 8.8%. The variation of the New York Futures market's volatility increased by 0.3 percentage point, averaging 12.6% for the month of February 2023.



The New York certified stocks decreased by 5.1% from the previous month, closing in at 0.86 million 60-kg bags, whilst certified stocks of Robusta coffee reached 1.19 million 60-kg bags, representing an increase of 13.8%.

Exports by Coffee Groups – Green Beans

Global green bean exports in January 2023 totalled 8.69 million bags, as compared with 10.23 million bags in the same month of the previous year, down 15.0%. The downturn was spread across all coffee groups. As a result, the cumulative total exports of green beans for coffee year 2022/23 is decreasing at an accelerated rate, down 5.4%, as compared with 1.8% decrease for the first three months of the current coffee year. The cumulative total for 2022/23 to January is 35.86 million bags as compared with 37.9 million bags over the same period a year ago.

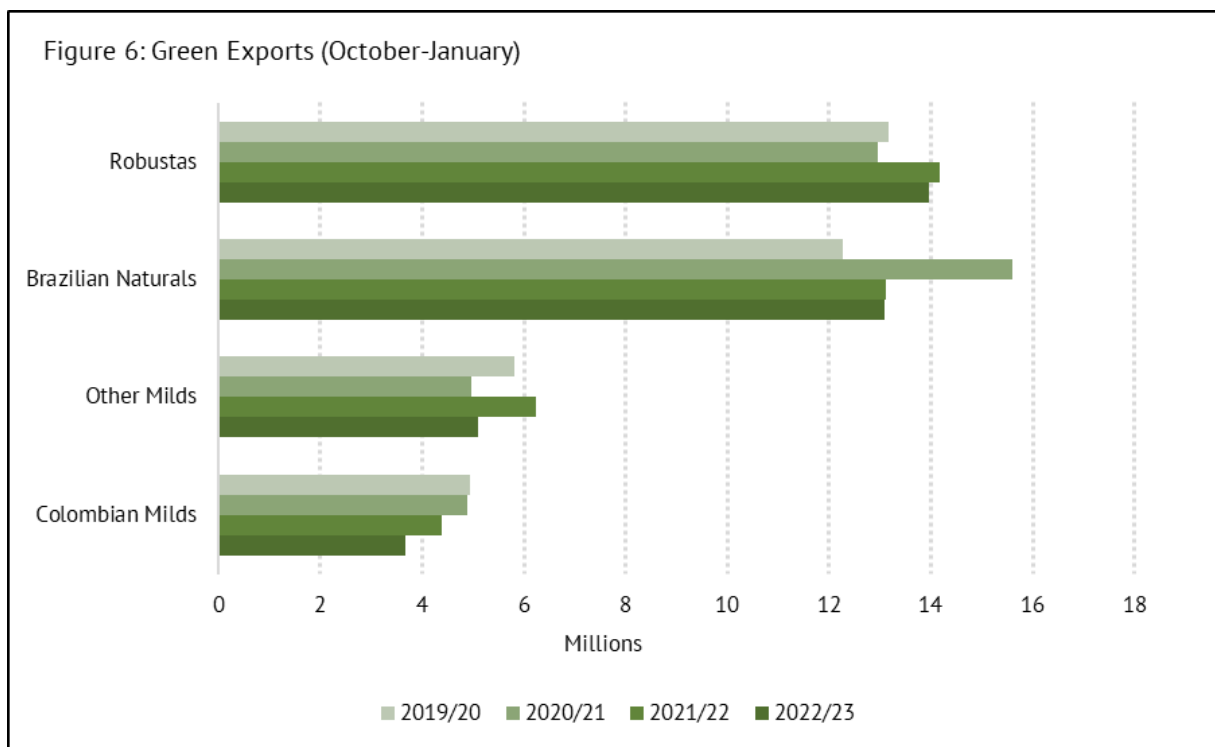
Shipments of the Other Milds decreased by 17.7% in January 2023 to 1.59 million bags from 1.93 million bags in the same period last year. This is the fourth consecutive month of negative growth for green bean exports of the Other Milds since the start of the current coffee year. As a result, the cumulative volume of exports fell by 18.1% in the first four months of coffee year 2022/23 to 5.11 million bags from 6.24 million bags over the same period in coffee year 2021/22. The region's latest decline was due to a confluence of downturns in El Salvador (-63.4%), Guatemala (-40.5%) and Nicaragua (-23.2%) against upturns in Honduras (+2.8%) and Mexico (+106.7%), with the negative growth rates of the former group of origins overwhelming the gains of the latter.

Green bean exports of the Brazilian Naturals fell in January 2023, falling by 17.2% to 2.78 million bags. For the first four months of coffee year 2022/23, green bean exports of the Brazilian Naturals amounted to 13.1 million bags, down 0.1% from 13.11 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 January 2023 (down 18.1%) to 2.52 million bags from 3.08 million bags in January 2022.

Exports of the Colombian Milds decreased by 20.9% to 0.87 million bags in January 2023 from 1.1 million bags in January 2022, driven primarily by Colombia, the main origin of this group of coffee, whose exports of green beans were down 19.4% in January 2023. As a result of the sharp downturn, exports of the Colombian Milds from October 2022 to January 2023 were down by 15.9%, at 3.68 million bags, as compared with 4.37 million bags in the first four months of coffee year 2021/22.

Green bean exports of the Robustas amounted to 3.45 million bags in January 2023, as compared with 3.84 million bags in January 2022, down 10.1%, bookending the growth rates of the first four months of the current coffee year, which had opened with a 6.8% downturn, followed by two consecutive months of positive growth. As a result, the shipments in the first four months of coffee year 2022/23 were down 1.4% to 13.97 million bags from 14.18 million bags in the same period in coffee year 2021/22.



Exports by Regions – All Forms of Coffee

In January 2023, South America’s exports of all forms of coffee decreased by 19.9% to 3.93 million bags, driven by the three main origins of the region, Brazil, Colombia and Peru, which saw their combined exports fall by 20.9%. The two major origins of the region, Brazil and Colombia, saw their respective shipments of coffee decrease by 16.0% and 18.8% in January 2023, falling to 2.86 million bags and 0.85 million bags, respectively, from 3.4 million bags and 1.05 million bags in January 2022. Peru is continuing to see its exports fall by a significantly greater rate, plunging by 63.9% in January 2023, which follows 41.5% downturns in November and December 2022. For Colombia, the sharp downturns continue to be linked to local

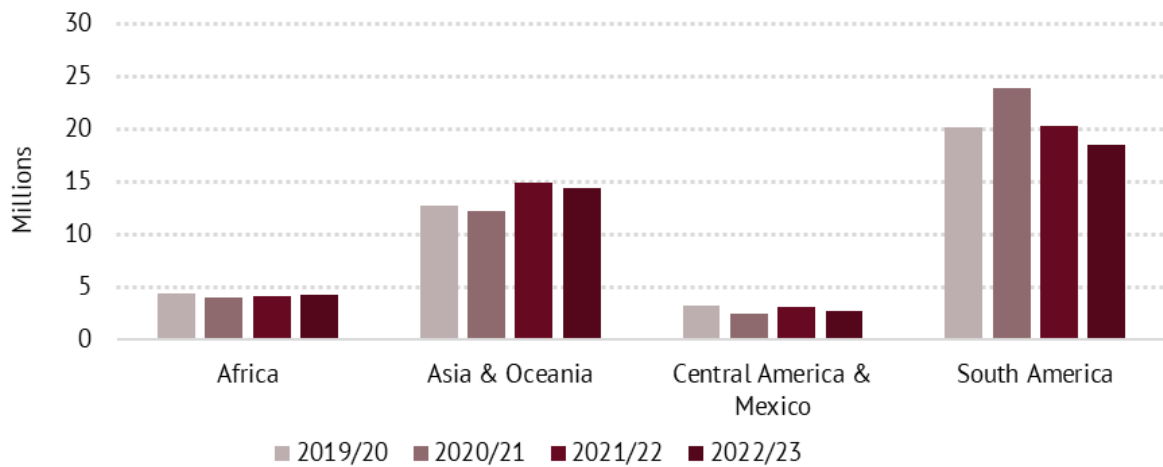
production conditions, which have been hampered by persistent bad weather linked to the La Niña phenomenon. In January 2023, Colombia's production recorded zero growth, following four consecutive months of negative growth, leading the total coffee output for the twelve months to January 2023 to decrease by 10% to 11.08 million bags from 12.36 million bags in the same period a year ago. In Peru, the negative impact of the weather on the origin's exports has already been addressed in recent issues of the CMR, with social unrest in the country being an additional causal component introduced in the January 2023 issue. However, the size of the plunge in export volume in January 2023 is technical and reflects the anomalous export volume observed in January 2022, in which 435,961 bags of coffee were shipped, the largest export volume for the month of January on record and 53% greater than the second-largest. The average export volume over the past six years, 2016–2021, is 195,565 bags; measured against this, the January 2023 exports are down 19.5%, which is more in line with the region and Brazil and Colombia's performances.

Exports of all forms of coffee from Asia & Oceania decreased by 17.2% to 3.45 million bags in January 2023 and were down 3.3% to 14.42 million bags in the first four months of coffee year 2022/23. The region's top three origins are the main drivers for the latest downturn, with the exports of Vietnam down 12.7% to 2.45 million bags from 2.8 million bags in January 2022. Likewise, India and Indonesia's exports declined by 39.7% to 0.34 million bags from 0.56 million bags and 18.8% to 0.58 million bags from 0.72 million bags in January 2022, respectively. The New Year and Lunar New Year holidays coincided in January 2023, a rare event, leading to a shortfall of business days, thus explaining the decrease in exports from Indonesia and Vietnam.

Exports of all forms of coffee from Africa increased by 19.5% to 1.11 million bags in January 2023 from 0.93 million bags in January 2022. For the first four months of the current coffee year, exports totalled 4.22 million bags as compared with 4.15 million bags in coffee year 2021/22, up 1.4%. Uganda is the main driver behind the jump in the region's exports, with coffee shipments from the region's largest producer and exporter increasing by 22.9% to 0.49 million bags, as compared with 0.4 million bags in January 2022. Significantly, it ended 12 consecutive months of decreasing exports, which had led the origin's cumulative total exports over the past year (January–December 2022) to fall to 5.63 million bags as compared with 6.77 million bags between January and December 2021, down 16.9% or 1.14 million bags. Drought in most of the coffee growing regions has led to a lower and shorter main harvest season in central and eastern parts of Uganda and hence lower output; however, exports are up in January 2023 as a result of a stocks drawdown on the back of rising prices for Robustas which in turn were responding to the reduced global supply, especially from Indonesia and Vietnam. Côte d'Ivoire and Tanzania are two other origins of note for January 2023, with their exports up 105.8% and 17.8%, respectively.

In January 2023, exports of all forms of coffee from Mexico & Central America were down 5.0% to 1.21 million bags as compared with 1.27 million in January 2022. For the first four months of the current coffee year, exports are also down 11.4%, totalling 2.75 million bags as compared with 3.1 million bags in October–January 2021/22. As mentioned previously, the region's latest decline, the fourth in a row since the start of coffee year 2022/23, was due to a confluence of downturns in El Salvador (-58.3%), Guatemala (-40.9%) and Nicaragua (-22.5%) against upturns in Honduras (+2.8%) and Mexico (+61.4%), with the negative growth of the former group overwhelming the gains of the latter. The 2.8% increase for Honduras is the first uptick since January 2022, and reflects the fact that the origin finds itself deep in its harvesting season with a build-up of sufficient supply to meet its contractual obligations.

Figure 7: Total Exports (October-January)

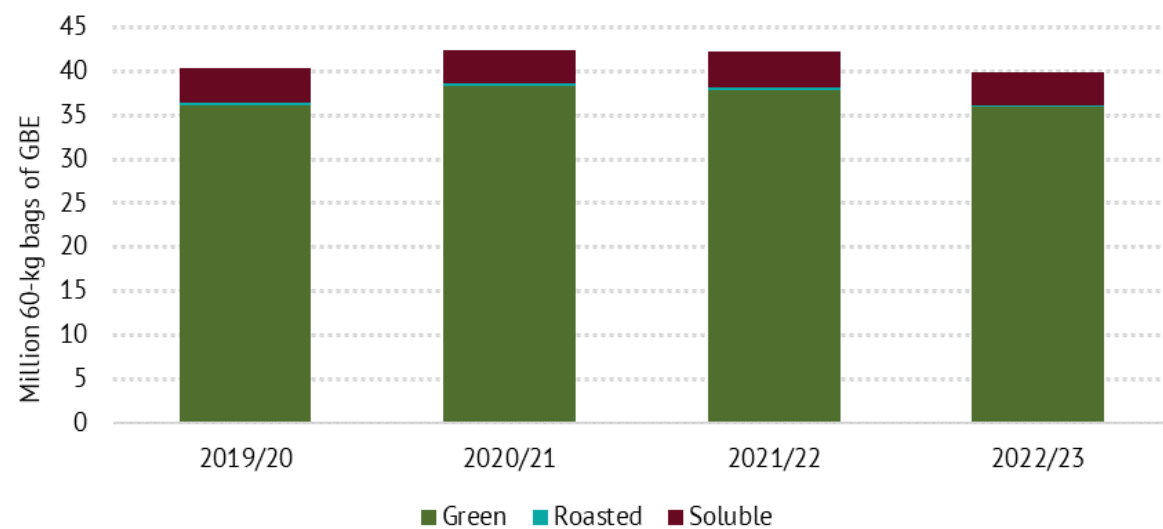


Exports of Coffee by Forms

Total exports of soluble coffee decreased by 3.0% in January 2023 to 0.95 million bags from 0.98 million bags in January 2022. In the first four months of coffee year 2022/23, a total of 3.75 million bags of soluble coffee were exported, representing a decrease of 11.2% from the 4.22 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 10.1% (measured on a moving 12-month average) in January 2023, as in January 2022. Brazil is the largest exporter of soluble coffee, and shipped 0.34 million bags in January 2023.

Exports of roasted beans were down 9.2% in January 2023 to 61,683 bags, as compared with 67,918 bags in January 2022. The cumulative total for coffee year 2022/23 to January 2023 was 278,977 bags, as compared with 289,578 bags in the same period a year ago.

Figure 8: Total Exports (October-January)



Production and Consumption

The latest provisional estimate for total production in coffee year 2021/22 remains unchanged at 167.2 million bags, a 2.1% decrease as compared to 170.83 million bags in the previous coffee year. World coffee consumption is projected to grow by 3.3% to 170.3 million 60-kg bags in 2021/22 as compared to 164.9 million for coffee year 2020/21. In 2021/22, consumption is estimated to exceed production by 3.1 million bags. The ICO will be publishing shortly new consolidated revised values for production and consumption for 2021/22.

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							
Mar-22	194.78	285.81	258.49	222.03	103.82	222.44	95.21
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
% change between Jan-23 and Feb-23							
	-0.1%	-2.3%	-1.7%	0.6%	2.4%	-3.9%	2.2%
Volatility (%)							
Jan-23	8.6%	9.2%	8.9%	12.7%	6.0%	12.3%	6.8%
Feb-23	8.7%	9.2%	8.8%	12.1%	6.2%	12.6%	7.8%
Variation between Jan-23 and Feb-23							
	0.1	0.0	-0.1	-0.6	0.2	0.3	1.0

* 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*
Oct-21	17.81	58.89	153.63	41.08	135.82	94.74	109.69
Nov-21	20.61	60.66	170.16	40.05	149.55	109.50	123.64
Dec-21	22.86	60.31	177.81	37.45	154.95	117.50	130.00
Jan-22	23.85	61.13	185.22	37.28	161.37	124.09	135.07
Feb-22	26.52	61.30	196.92	34.78	170.39	135.61	144.80
Mar-22	27.33	63.79	181.99	36.46	154.66	118.21	127.23
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
% change between Jan-23 and Feb-23							
	-28.8%	-11.6%	9.4%	-5.9%	13.6%	23.2%	17.2%

* Average prices for 2nd and 3rd positions

Table 3: World Supply/Demand Balance

Coffee year commencing	2017	2018	2019	2020*	2021*	% change 2020/21
PRODUCTION	167,806	170,195	168,902	170,830	167,170	-2.1%
Arabica	98,128	99,855	97,014	101,157	93,970	-7.1%
Robusta	69,678	70,340	71,889	69,674	73,200	5.1%
Africa	17,404	18,510	18,666	19,331	19,270	-0.3%
Asia & Oceania	52,203	48,108	49,427	48,016	51,433	7.1%
Mexico & Central America	21,752	21,640	19,598	19,674	18,993	-3.5%
South America	76,453	81,934	81,214	83,812	77,473	-7.6%
CONSUMPTION	160,006	166,730	162,998	164,865	170,298	3.3%
Exporting countries	48,586	49,423	49,370	49,967	50,322	0.7%
Importing countries (Coffee Years)	111,421	117,307	113,629	114,898	119,975	4.4%
Africa	10,810	12,033	11,101	11,449	11,721	2.4%
Asia & Oceania	35,129	36,227	36,350	39,657	40,834	3.0%
Mexico & Central America	5,273	5,431	5,346	5,381	5,399	0.3%
Europe	53,527	55,452	53,949	51,983	54,206	4.3%
North America	29,939	31,789	30,581	30,292	31,913	5.4%
South America	25,829	26,324	26,321	26,603	26,724	0.5%
BALANCE	7,799	3,465	5,904	5,965	-3,128	

*preliminary estimates

Table 4: Total exports by exporting countries

	Jan-22	Jan-23	% change	Year to Date Coffee Year		
				2021/22	2022/23	% change
TOTAL	11,273	9,699	-14.0%	42,418	39,889	-6.0%
Arabicas	6,909	5,763	-16.6%	26,071	24,008	-7.9%
<i>Colombian Milds</i>	1,192	950	-20.3%	4,745	4,071	-14.2%
<i>Other Milds</i>	2,119	1,788	-15.6%	7,167	6,008	-16.2%
<i>Brazilian Naturals</i>	3,597	3,024	-15.9%	14,159	13,929	-1.6%
Robustas	4,365	3,936	-9.8%	16,347	15,881	-2.9%

In thousand 60-kg bags

Monthly trade statistics are available upon subscription

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

	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23
New York	1.23	1.20	1.16	1.04	0.77	0.72	0.45	0.41	0.59	0.87	0.91	0.86
London	1.63	1.56	1.71	1.76	1.80	1.61	1.59	1.52	1.45	1.08	1.04	1.19

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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