

Robustas at 47-year high for two consecutive months

Green Coffee Price

- The ICO Composite Indicator Price (I-CIP) averaged 238.92 US cents/lb in August, a 1.0% increase from July 2024.
- The Colombian Milds and Other Milds increased by 2.3% and 1.7%, reaching 263.76 and 261.44 US cents/lb, respectively, in August 2024. The Brazilian Naturals also appreciated, increasing by 1.0% to 242.19 US cents/lb in August 2024. The Robustas remained stable, averaging 214.68 US cents/lb.
- The Colombian Milds–Other Milds differential grew from 0.72 to 2.33 US cents/lb.
- The arbitrage, as measured between the London and New York futures markets, climbed 1.7% to 41.37 US cents/lb in August 2024.
- The intra-day volatility of the I-CIP retracted by 0.5 percentage points, averaging 10.9% in August 2024.

Exports by Coffee Groups – Green Beans

- Colombian Milds increased by 17.7% to 1.05 million bags in July 2024 from 0.89 million bags in July 2023.
- Other Milds increased by 6.3% in July 2024 to 2.14 million bags from 2.01 million bags in the same period last year.
- Brazilian Naturals increased in July 2024, rising by 18.0% to 3.13 million bags from 2.65 million bags in July 2023.
- Robustas were up 3.3% to 3.71 million bags in July 2024 from 3.59 million bags in July 2023.

Exports by Regions – All Forms of Coffee

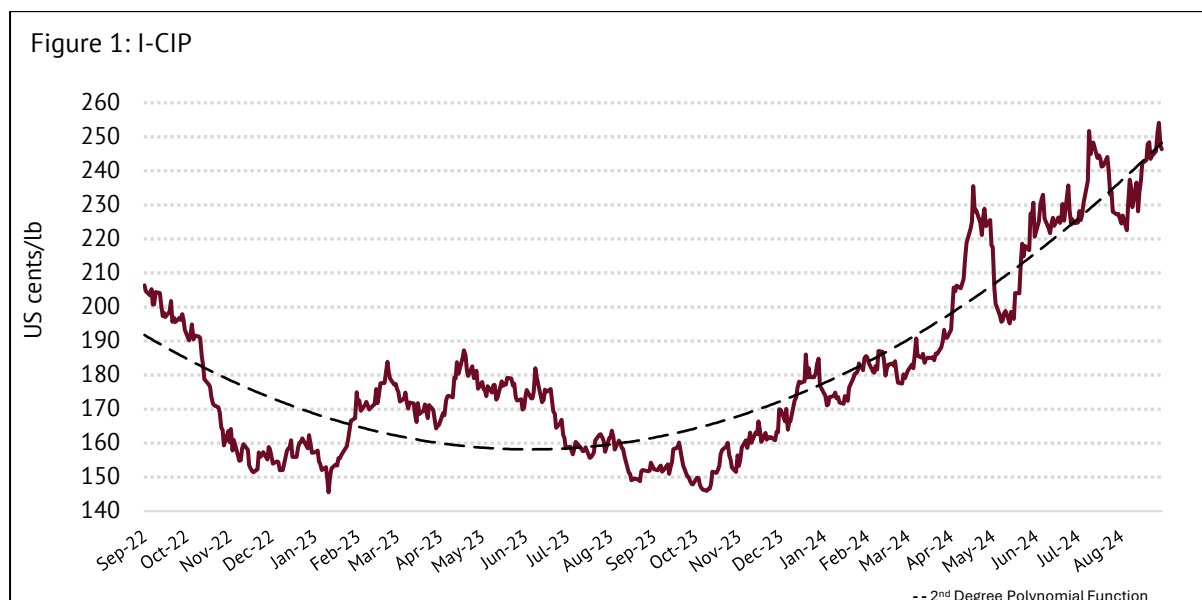
- Asia & Oceania decreased by 8.1% to 2.77 million bags in July 2024.
- Africa increased by 34.7% to 1.9 million bags in July 2024 from 1.41 million bags in July 2023.
- South America's exports of all forms of coffee increased by 26.0% to 5.24 million bags.
- Mexico & Central America were down 7.1% to 1.38 million bags, as compared with 1.48 million in July 2023.

Exports of Coffee by Forms

- Soluble coffee increased by 38.8% in July 2024 to 1.2 million bags from 0.86 million bags in July 2023, and its share in the total exports of all forms of coffee for the year to date was 9.2% in July 2024.
- Exports of roasted beans were up 13.0% in July 2024 to 60,651 bags, as compared with 53,655 bags in July 2023.

Green Coffee Price

The ICO Composite Indicator Price (I-CIP) averaged 238.92 US cents/lb in August, a 1.0% increase from July 2024. The I-CIP posted a median value of 239.84 US cents/lb and fluctuated between 222.58 and 254.12 US cents/lb. The August 2024 I-CIP is above the August 2023 I-CIP by 54.6%, with the 12-month rolling average at 192.89 US cents/lb.



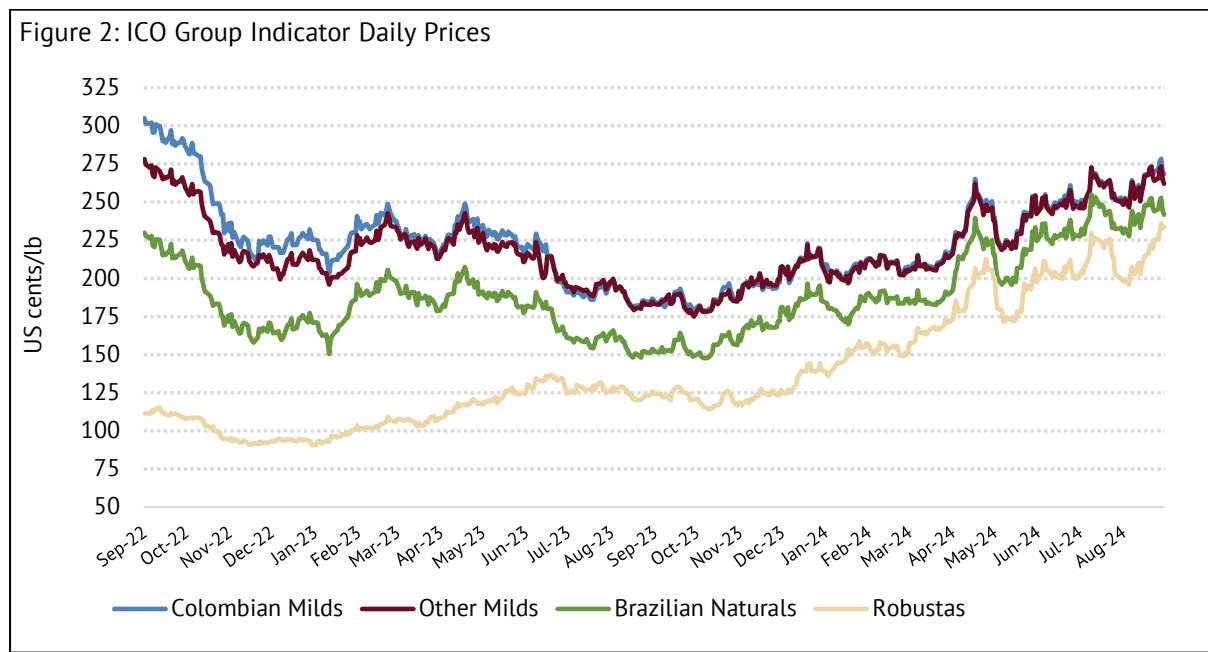
The Colombian Milds and Other Milds increased by 2.3% and 1.7%, reaching 263.76 and 261.44 US cents/lb, respectively, in August 2024. The Brazilian Naturals also appreciated, increasing by 1.0% to 242.19 US cents/lb in August 2024. The Robustas remained stable, averaging 214.68 US cents/lb. The New York and London ICE markets were drivers of growth, expanding by 2.1% and 2.2% and reaching 239.61 and 198.24 US cents/lb, respectively – the highest point since February 2022 for the Arabica futures, and the highest point since May 1977 for the Robusta futures (nominal prices).

The I-CIP followed a consistent uptrend throughout August 2024, peaking on 28 August at 254.12 US cents/lb. The global economic climate remains relatively tight, with limited availability of cheap money as interest rates around the world remain high.

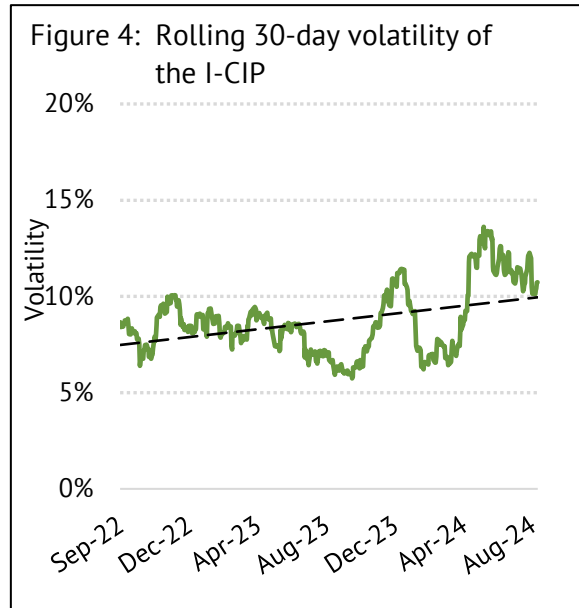
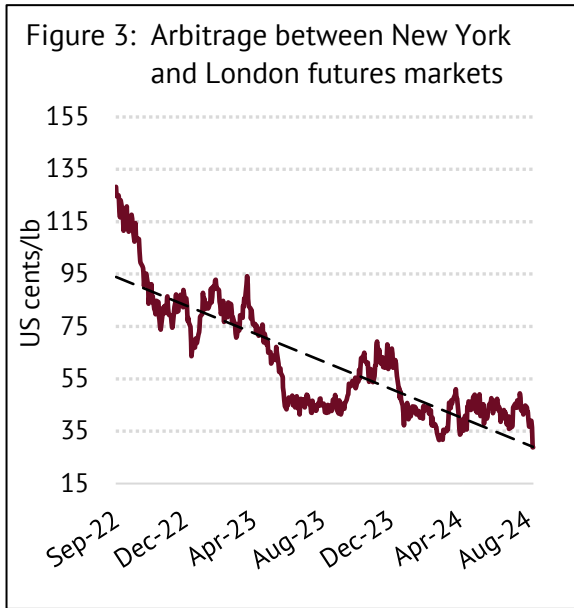
Furthermore, the geopolitical tensions in the Middle East continue to have adverse effects on the stability of the supply of containers and on the full availability of shipping routes. Traffic remains diverted away from the Suez Canal and has been directed around the Cape of Good Hope. Combined with the strong upward push from tight global supply conditions, where the rolling 6-year cumulative supply and demand balance remains at -13.1 million bags, these factors have applied positive price pressure on the I-CIP.

The current economic environment limits the possibility of carrying large stocks at relatively cheap rates and, at present, servicing the debt that finances stocks does not make for a competitive business model. Thus, the impact of just-in-time buying of coffee can be felt in the market as financing these purchases is not cost-effective. This applies positive price pressure on the short-term pricing of coffee as demand remains high for a somewhat constricted supply.

At a gathering of leading central bankers and economists at the end of August at Jackson Hole, USA, there was an emerging new consensus hinting at a shift in monetary policy, away from high interest rates. High interest rates have helped tackle rising inflation, but as the European Central Bank and Bank of England have started to lower their benchmark interest rates, what effect does this have on coffee prices? Whilst a quarter-point decrease in itself does not mark a substantive change in monetary policy, this may lead to further interest rate cuts, should central bankers feel that there would be no adverse effects on the labour market, that inflation has been tamed and that there would be no risk of recession. Thus, this may signal that with lower interest rates, market participants will be able to enjoy the benefits of leveraged finance, marking a potential decline in just-in-time coffee buying. The theoretical implication of the reduced frequency of purchasing is a downward pressure on the I-CIP, however, lower cost of finance could also result in a surge in buying activity, where coffee value chain operators look to replenish their depleted stocks when under the high interest rate environment this was not possible.

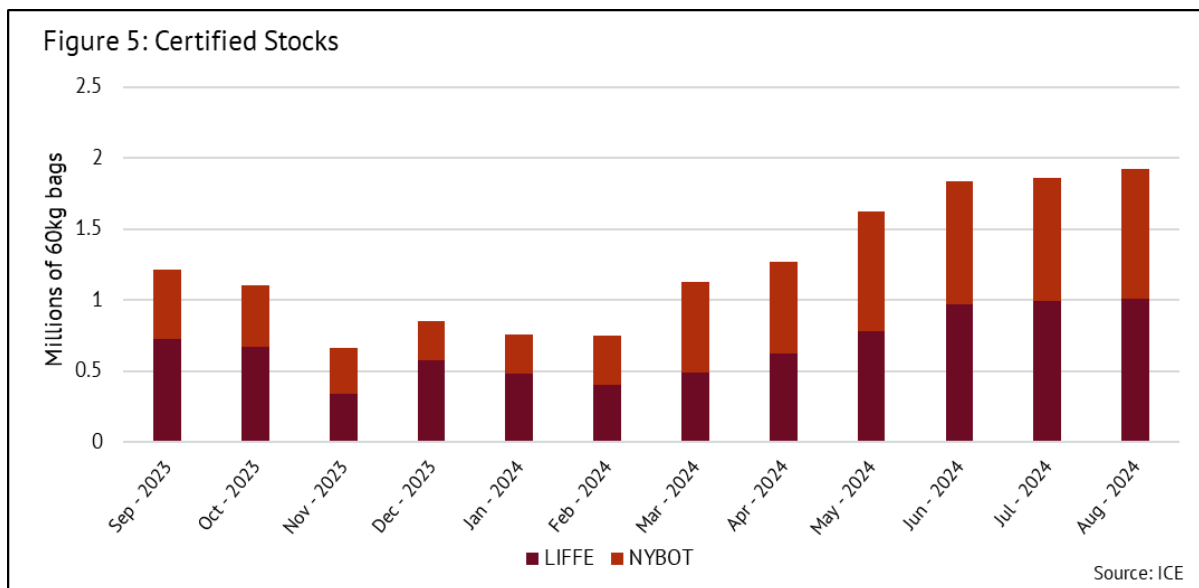


The Colombian Milds–Other Milds differential grew from 0.72 to 2.33 US cents/lb. The Colombian Milds–Brazilian Naturals differential expanded by 19.1% to 21.57 US cents/lb, whilst the Colombian Milds–Robustas differential also rose 13.9% from July to August 2024, averaging 49.08 US cents/lb. Meanwhile, the Other Milds–Brazilian Naturals and Other Milds–Robustas differentials climbed by 10.6% and 10.3% respectively, reaching 19.25 and 46.76 US cents/lb, respectively. The Brazilian Naturals–Robustas differential expanded 10.1%, averaging 27.51 US cents/lb in August 2024.



The arbitrage, as measured between the London and New York futures markets, climbed 1.7% to 41.37 US cents/lb in August 2024.

The intra-day volatility of the I-CIP retracted by 0.5 percentage points, averaging 10.9% in August 2024. The Colombian Milds' volatility decreased by 0.4 percentage points. The Other Milds' volatility and the Brazilian Naturals' volatility both shrank by 0.3 and 0.9 percentage points to 10.8% and 11.5%, respectively, from July to August 2024. The Robustas' and New York's volatility remained stable at 12.1% for the month of August. The London futures market's volatility increased by 0.1 percentage points to 13.5%.



The London certified stocks of Robusta coffee continued to expand slightly in August 2024, increasing by 2.3% to 1.01 million bags. Certified stocks of Arabica coffee reached 0.91 million 60-kilogram bags, a 4.5% increase versus July 2024.

Exports by Coffee Groups – Green Beans

Global green bean exports in July 2024 totalled 10.03 million bags, as compared with 9.14 million bags in the same month of the previous year, up 9.6%. The cumulative total for coffee year 2023/24 to July 2024 was 103.08 million bags, up 10.6%, as compared with 93.88 million bags over the same period a year ago. The Brazilian Naturals, once again, was the main group responsible for the overall strong growth seen in July 2024, accounting for 54.2% of the 0.88-million-bag net gain in total exports.

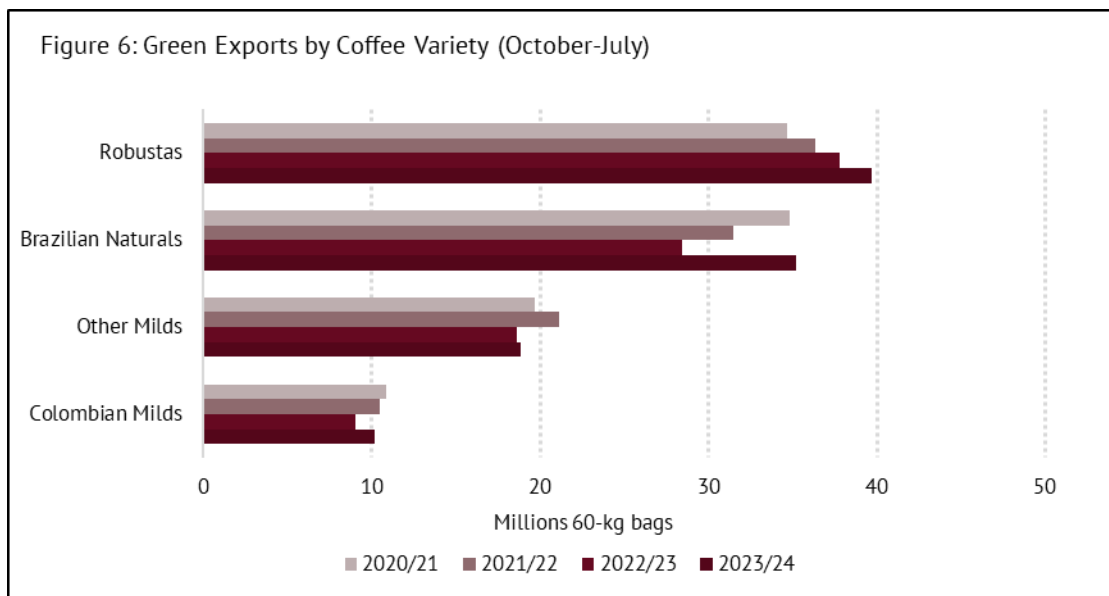
Exports of the Colombian Milds increased by 17.7% to 1.05 million bags in July 2024 from 0.89 million bags in July 2023. The latest jump in the exports was driven by Colombia, the group's largest producer and exporter, with its July 2024 exports up 21.4% to 0.95 million bags as compared with 0.78 million bags in July 2023. The cumulative total for the origin is 9.1 million bags, up 15.0% versus the 7.91 million bags exported in October 2022 to July 2023. Colombia, and in turn the Colombian Milds, continues to benefit from a return to normality following three consecutive years of downturn in which exports fell from 12.83 million in coffee year 2020/21 to 9.87 in coffee year 2022/23. Last coffee year's exports level for Colombia was the lowest since 8.84 million bags in coffee year 2012/13. As a result, exports of the Colombian Milds for the first 10 months of coffee year 2023/24 are up 12.1% at 10.14 million bags, as compared with 9.05 million bags in the first 10 months of coffee year 2022/23. However, historically, it remains relatively low.

Shipments of the Other Milds increased by 6.3% in July 2024 to 2.14 million bags from 2.01 million bags in the same period last year. This is the fourth instance of positive growth since the beginning of the current coffee year. The cumulative volume increased by 1.3% in the first 10 months of coffee year 2023/24 and is now at 18.81 million bags as compared with 18.58 million bags last coffee year. Ethiopia and Peru were the two main drivers of the region's 6.3% positive growth in exports, with a combined net increase of 0.22 million bags, while Honduras was the main driver of negative growth, with a net decrease of 0.14 million bags. Honduras is currently on its "off-year" of the biennial production cycle, and the cumulative total to July 2024 is down 11.0% at 4.21 million bags from 4.73 million bags in the same period a year ago, negatively weighing on the overall exports performance of the Other Milds.

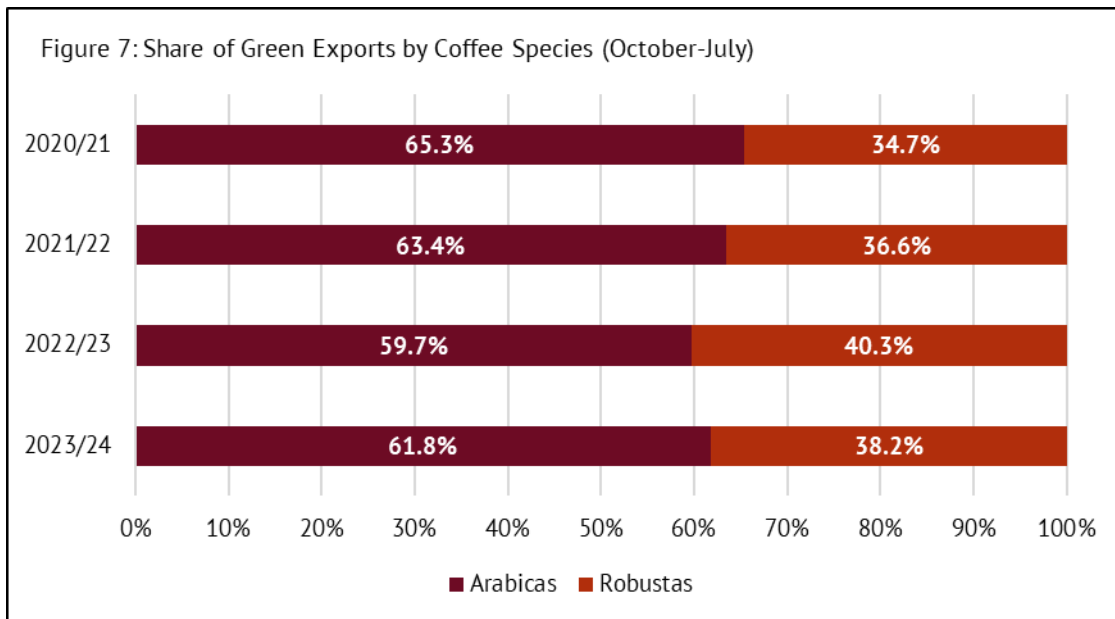
Green bean exports of the Brazilian Naturals increased in July 2024, rising by 18.0% to 3.13 million bags from 2.65 million bags in July 2023. The sharp growth rate stems from the 13.7% and 63.3% increases in exports from Brazil and Ethiopia, respectively, which rose to 2.46 million bags and 0.49 million bags in July 2024 from 2.16 million bags and 0.3 million bags, respectively, in July 2023. Fundamentally, a large part of the size of the July upturn is explained by the biennial cyclical effect of the Brazilian Naturals exports, with the current coffee year being the "on-year". Furthermore, and in regard to Ethiopia, the origin's July double-digit growth is also explained by the resolution of its contract disputes (arising from a mismatch between local purchasing prices and global market prices that had affected the volume of exports in the first half of calendar year 2023) and logistics. In early 2024, the availability of vessels for exports was reduced to one per month when, previously, at least one was available per day. However, as of late March 2024, this issue was largely resolved with Maersk, a shipping company, lifting its suspension of all bookings to and from Djibouti, the main port of exports for landlocked Ethiopia. The lifting of said suspension was implemented on 30 January 2024. For the first 10 months of

coffee year 2023/24, green bean exports of the Brazilian Naturals amounted to 35.17 million bags, up 23.7% from 28.44 million bags over the same period a year ago.

Green bean exports of the Robustas were up 3.3% to 3.71 million bags in July 2024 from 3.59 million bags in July 2023. This is the first instance of positive growth following two consecutive months of negative growth. However, the growth rate of the cumulative total continued to decelerate, dropping down to 5.0% in July 2024 from 5.2% in June 2024, with total shipment at 39.69 million bags, as compared with 37.8 million bags in the first 10 months of coffee year 2022/23. The main driver of July’s relatively shallow positive growth rate was the confluence of positive growth in Brazil (up 78.3% and 0.4 million bags) and Uganda (up 31.6% and 0.19 million bags) and negative growth in Vietnam (down 29.1% and 0.5 million bags), the largest exporter of Robusta coffee in the world. Vietnam continues to struggle with tightness in their domestic supply having largely, according to various news outlets, depleted their stocks, while the country waits for the new crop to hit the market.



The relatively stronger positive growth rate of the Arabicas has resulted in their share of total green bean exports increasing to 63.0% in July 2024 as compared with 60.7% in July 2023. For the coffee year to date, the Arabicas’ share was 61.8% in July 2024 versus 59.7% in July 2023.



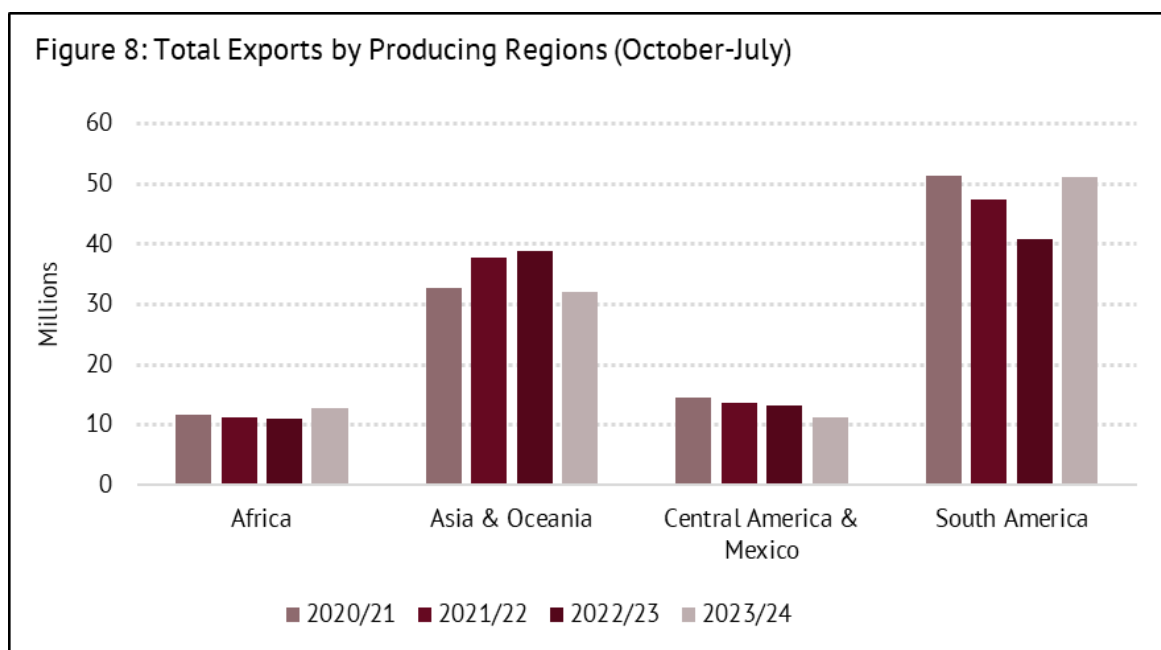
Exports by Regions – All Forms of Coffee

Exports of all forms of coffee from Asia & Oceania decreased by 8.1% to 2.77 million bags in July 2024. The latest downturn is the eighth in total and sixth consecutive monthly decline observed in the region for the current coffee year, with the cumulative total falling by 8.8% to 35.46 million bags as compared to 38.88 million bags in the same period a year ago. Once again, the region’s general direction was dictated by Vietnam, Asia & Oceania’s largest producer and exporter of coffee, whose exports fell by 29.1% in July 2024 to 1.31 million bags. The latest downturn marked the eighth in total and sixth consecutive decline for Vietnam in coffee year 2023/24, and as a result the country’s cumulative exports up to July 2024 fell to 22.79 million bags from 25.96 million bags between October 2022 and July 2023, down 12.2%. The latest decrease continues to be due to tightness in domestic supply, which is waiting for new supply from the 2024/25 harvest, the start of which is still one month away. A mitigating factor preventing Vietnam’s downturn fully transmitting to the region was the 57.3% increase in Indonesia’s exports, which were 0.79 million bags in July 2024 as compared with 0.5 million bags in July 2023.

Exports of all forms of coffee from Africa increased by 34.7% to 1.9 million bags in July 2024 from 1.41 million bags in July 2023. As a result, the cumulative total of 12.87 million bags for the first 10 months of coffee year 2023/24 is up 15.9%, as compared with the 11.1 million bags shipped in coffee year 2022/23. Once again, Ethiopia and Uganda were the driving forces behind the region’s growth in July 2024, with their exports having increased by 63.6% and 27.2%, respectively, to 0.72 million bags and 0.82 million bags as compared with 0.44 million bags and 0.65 million bags in July 2023. The Uganda Coffee Development Authority reported that the strong July 2024 exports were a result of the newly harvested bigger Robusta crop from the Greater Masaka region and South Western region reaching the market. As for Ethiopia, the transportation infrastructure and the resolution of contract disputes continue to be behind the latest double-digits increase.

In July 2024, South America’s exports of all forms of coffee increased by 26.0% to 5.24 million bags. As a result, the cumulative total of 54.37 million bags for the first 10 months of coffee year 2023/24 is up 33.0% as compared to the 40.87 million bags shipped in coffee year 2022/23. Brazil was the source of the strong positive growth, which saw its exports increase by 26.2% in July 2024 to 3.8 million bags from 3.0 million bags in July 2023.

In July 2024, exports of all forms of coffee from Mexico & Central America were down 7.1% to 1.38 million bags, as compared with 1.48 million in July 2023. As a result, cumulative total exports remain down at -6.8%, having decreased to 12.3 million bags, as compared with 13.2 million bags for the same period a year ago (October 2022 to July 2023). The July 2024 downturn is mainly a reflection of the negative 26.1% growth rate of Honduras. Exports from Honduras continue to be hampered by its off-years in the biennial production cycle.



Exports of Coffee by Forms

Total exports of soluble coffee increased by 38.8% in July 2024 to 1.2 million bags from 0.86 million bags in July 2023. In the first 10 months of coffee year 2023/24, a total of 10.59 million bags of soluble coffee was exported, representing an increase of 10.5% from the 9.58 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 for the year to date was 9.2% in July 2024, the same as in July 2023. Brazil was the largest exporter of soluble coffee in July 2024, shipping 0.4 million bags.

Exports of roasted beans were up 13.0% in July 2024 to 60,651 bags, as compared with 53,655 bags in July 2023. The cumulative total for coffee year 2023/24 to July 2024 is 0.6 million bags, as compared with 0.59 million bags in the same period a year ago.

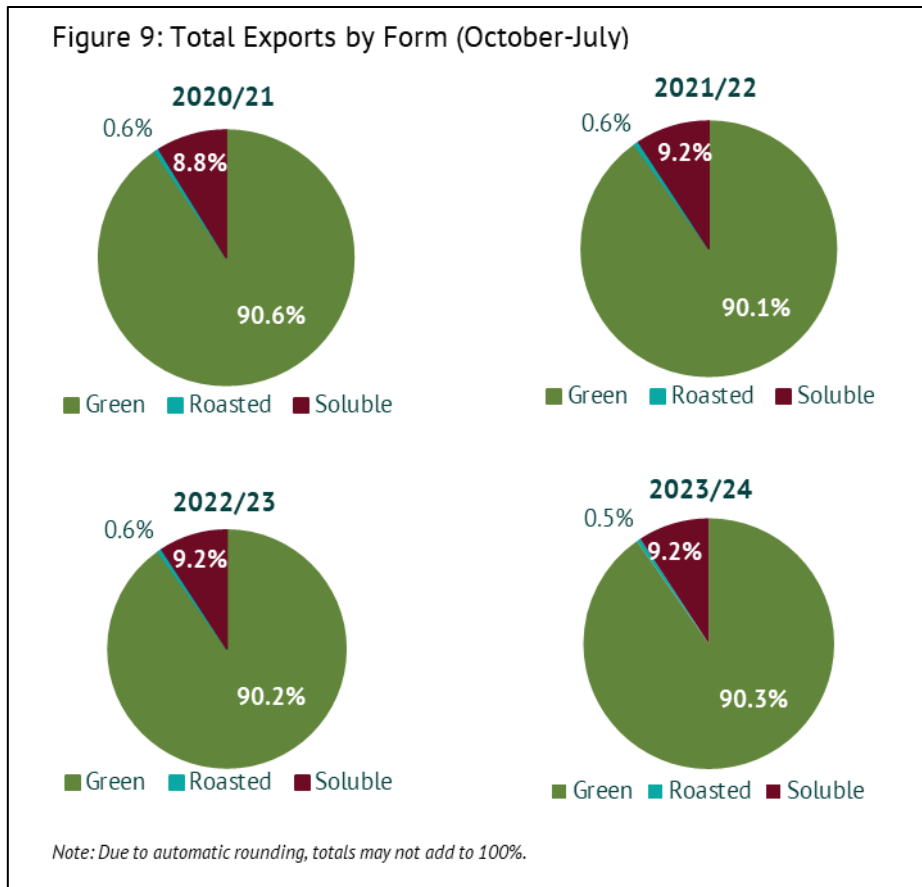


Table 1: ICO daily indicator prices and futures prices (US cents/lb)

	ICO Composite	Colombian Milds	Other Milds	Brazilian Naturals	Robustas	New York*	London*
Monthly averages							
Sep-23	153.13	184.98	183.52	154.19	123.89	153.55	109.14
Oct-23	151.94	185.97	183.95	155.52	118.83	155.91	105.40
Nov-23	161.53	195.85	197.18	169.25	122.63	170.25	110.45
Dec-23	175.73	210.68	210.76	185.23	135.47	186.67	123.91
Jan-24	176.41	205.62	203.30	179.32	148.47	183.06	135.84
Feb-24	182.04	209.53	208.78	186.74	153.23	185.37	142.43
Mar-24	186.38	210.26	208.85	185.76	165.84	184.59	148.53
Apr-24	216.89	241.80	239.73	218.77	193.65	217.97	176.04
May-24	208.38	233.50	232.11	209.78	184.97	208.86	165.11
Jun-24	226.83	250.39	248.39	229.25	204.30	226.42	182.82
Jul-24	236.54	257.82	257.10	239.70	214.72	234.62	193.93
Aug-24	238.92	263.76	261.44	242.19	214.68	239.61	198.24
% change between Jul-24 and Aug-24							
	1.0%	2.3%	1.7%	1.0%	0.0%	2.1%	2.2%
Volatility (%)							
Jul-24	11.4%	11.1%	11.1%	12.4%	12.1%	12.1%	13.4%
Aug-24	10.9%	10.7%	10.8%	11.5%	12.1%	12.1%	13.5%
Variation between Jul-24 and Aug-24							
	-0.5	-0.4	-0.3	-0.9	0.0	0.0	0.1

* Average prices for 2nd and 3rd positions

Table 2: Price differentials (US cents/lb)

	Colombian Milds	Colombian Milds	Colombian Milds	Other Milds	Other Milds	Brazilian Naturals	New York*
	Other Milds	Brazilian Naturals	Robustas	Brazilian Naturals	Robustas	Robustas	London*
Sep-23	1.46	30.79	61.09	29.33	59.63	30.30	44.41
Oct-23	2.02	30.45	67.14	28.43	65.12	36.69	50.51
Nov-23	-1.33	26.60	73.22	27.93	74.55	46.62	59.81
Dec-23	-0.08	25.45	75.21	25.53	75.29	49.76	62.77
Jan-24	2.32	26.29	57.15	23.98	54.83	30.85	47.22
Feb-24	0.75	22.80	56.30	22.05	55.56	33.51	42.94
Mar-24	1.41	24.50	44.42	23.09	43.01	19.92	36.06
Apr-24	2.07	23.03	48.14	20.96	46.07	25.11	41.93
May-24	1.39	23.72	48.53	22.33	47.14	24.81	43.74
Jun-24	2.00	21.13	46.08	19.13	44.08	24.95	43.60
Jul-24	0.72	18.12	43.10	17.40	42.38	24.98	40.69
Aug-24	2.33	21.57	49.08	19.25	46.76	27.51	41.37
% change between Jul-24 and Aug-24							
	222.2%	19.1%	13.9%	10.6%	10.3%	10.1%	1.7%

* Average prices for 2nd and 3rd positions

Table 3: World Supply/Demand Balance

Coffee Year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24*	% change
PRODUCTION	169.8	168.4	170.8	168.0	168.2	178.0	5.8%
Arabica	99.5	96.4	100.6	92.3	94.0	102.2	8.8%
Robusta	70.3	72.0	70.3	75.7	74.2	75.8	2.1%
Africa	18.5	18.5	19.2	19.3	17.9	20.1	12.1%
Caribbean, Central America & Mexico	21.3	19.2	19.7	18.9	19.2	18.7	-2.5%
South America	81.9	81.1	83.9	77.6	81.3	89.3	9.8%
Asia & Oceania	48.1	49.6	48.0	52.2	49.8	49.9	0.3%
CONSUMPTION	171.2	168.6	169.9	176.6	173.1	177.0	2.2%
Exporting Countries	52.5	52.2	53.1	54.4	55.1	56.5	2.6%
Importing Countries (Coffee Year)	118.6	116.4	116.8	122.2	118.1	120.5	2.1%
Africa	11.9	12.1	13.0	12.9	12.2	12.5	2.6%
Asia & Oceania	39.9	40.1	42.2	44.2	44.5	45.7	2.7%
Caribbean, Central America & Mexico	5.8	5.8	5.9	6.0	6.0	6.1	2.3%
North America	31.8	30.6	30.2	31.3	29.8	30.9	3.8%
South America	26.3	26.0	26.4	27.0	27.5	28.0	1.6%
Europe	55.5	54.0	52.2	55.2	53.1	53.7	1.1%
BALANCE	-1.3	-0.2	0.9	-8.6	-4.9	1.0	

*preliminary estimates

Table 4: Total exports by exporting countries

	Jul-23	Jul-24	% change	Year to Date Coffee Year		
				2022/23	2023/24	% change
TOTAL	10,062	11,286	12.2%	104,050	115,008	10.5%
Arabicas	6,069	7,025	15.7%	61,582	70,324	14.2%
<i>Colombian Milds</i>	972	1,129	16.2%	9,947	10,929	9.9%
<i>Other Milds</i>	2,262	2,404	6.3%	20,939	21,461	2.5%
<i>Brazilian Naturals</i>	2,836	3,491	23.1%	30,695	37,935	23.6%
Robustas	3,993	4,261	6.7%	42,469	44,684	5.2%

In thousand 60-kg bags

Monthly trade statistics are available upon subscription

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

	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
New York	0.49	0.44	0.32	0.28	0.27	0.35	0.63	0.64	0.84	0.86	0.87	0.91
London	0.73	0.67	0.34	0.57	0.48	0.40	0.49	0.63	0.78	0.97	0.99	1.01

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 2020/21 coffee year began on 1 October 2020 and ended 30 September 2021. However, for producers with crop years commencing on 1 April, the crop year production occurs across two coffee years. Brazil's 2020/21 crop year began on 1 April 2020 and finished 31 March 2021, covering the first half of coffee year 2020/21. However, Brazil's 2021/22 crop year commenced 1 April 2021 and ended 31 March 2022, covering the latter half of coffee year 2021/22. In order to bring the crop year production into a single coffee year, the Secretariat would allocate a portion of the April–March 2020/21 crop year production and a portion of the April–March 2021/22 production into 2020/21 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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