

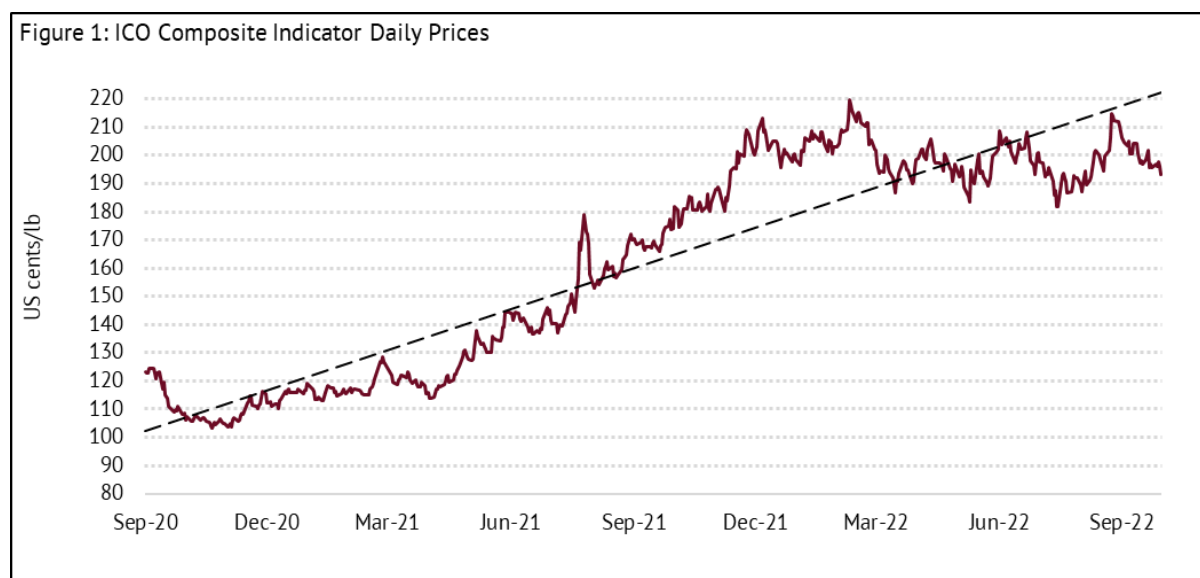


I-CIP remains range bound since March, averaging 197.13 US cents/lb for the seven months

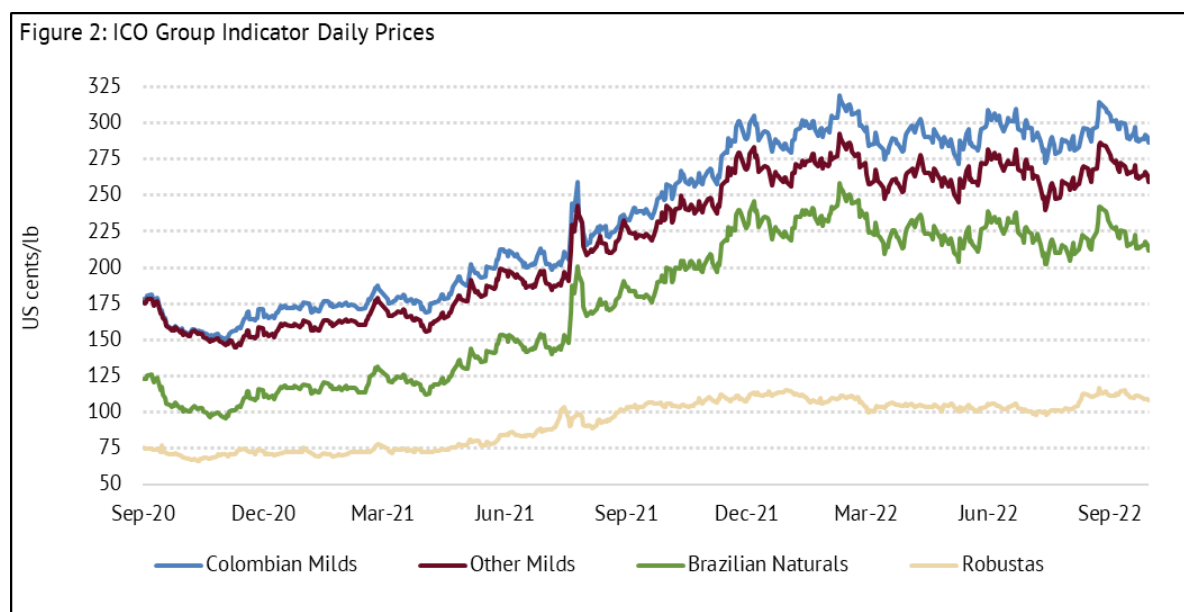
- *The ICO Composite Indicator Price (I-CIP) lost 0.2% from August to September 2022, averaging 199.63 US cents/lb for the latter, whilst posting a median value of 198.43 US cents/lb.*
- *Average prices for all groups indicators decreased in September 2022, except for the Robustas.*
- *The Brazilian Naturals-Robusta differential took the hardest hit from August to September 2022, retracting 3.6% from 112.26 to 108.23 US cents/lb as growth of Robustas outpaced the Brazilian Naturals.*
- *The arbitrage, as measured in between the New York and London Futures markets shrunk by 1.7%, falling to 117.74 US Cents/lb in September 2022 from 119.79 US cents/lb in August 2022.*
- *Intra-day volatility of the I-CIP decreased 2.0 percentage points between August and September 2022, reaching a low of 8.3%.*
- *The New York certified stocks decreased 37.2% from the previous month, closing in at 0.45 million bags, whilst certified stocks of Robusta coffee reached 1.59 million bags, representing a decrease of 0.8%.*
- *Global exports of green beans in August 2022 totalled 8.83 million bags, compared with 9.17 million bags in the same month of the previous year, down 3.7%.*
- *Total exports of soluble coffee increased by 13.2% in August 2022 to 0.98 million bags from 0.87 million bags in August 2021.*
- *In October 2021 to August 2022, South America's exports of all forms of coffee decreased by 23.3% to 50.46 million bags.*
- *Exports of all forms of coffee from Asia & Oceania increased by 2.7% to 3.25 million bags in August 2022, but were down 1.5% to 40.86 million bags in the first 11 months of coffee year 2021/22.*
- *In August 2022, exports of all forms of coffee from Mexico & Central America were down 7.4% to 1.19 million bags as compared with 1.29 million in August 2021.*
- *Exports of all forms of coffee from Africa decreased by 11.9% to 1.24 million bags in August 2022 from 1.4 million bags in August 2021.*

Green Coffee Price

The ICO Composite Indicator Price (I-CIP) lost 0.2% from August to September 2022, averaging 199.63 US cents/lb for the latter, whilst posting a median value of 198.43 US cents/lb. In September 2022, the I-CIP fluctuated in between 193.28 and 206.37 US cents/lb.

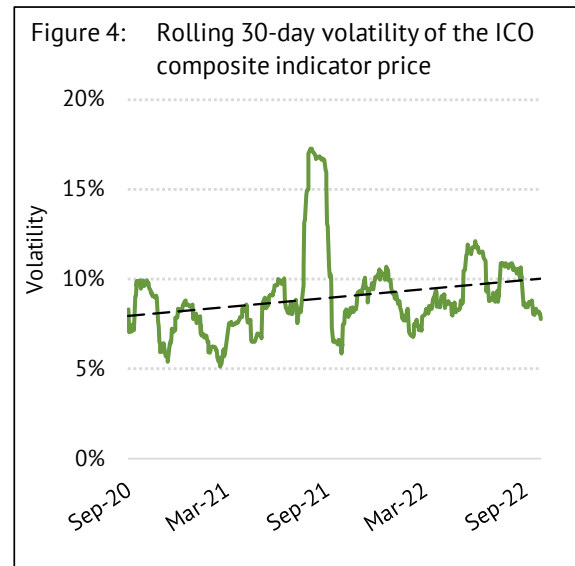
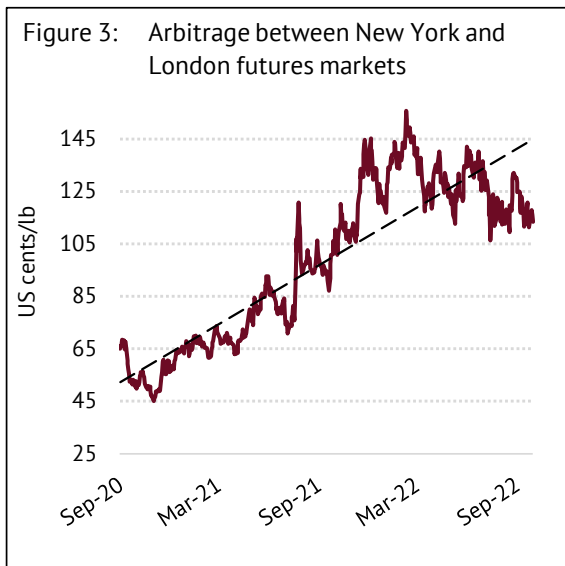


Average prices for all groups indicators decreased in September 2022, except for the Robustas, which had an uptick of 1.6% from August to September 2022. The Robustas averaged 111.36 US cents/lb for the month of September. The Colombian Milds and Other Milds, decreased by 0.5% and 0.3% respectively, month-on-month in September. The former averaged 294.09 US cents/lb in September 2022, whilst the latter averaged 267.49 US cents/lb. The upturns are in part due to the average 2nd and 3rd positions of the ICE New York futures market, which lost 0.1% in September 2022 over August 2022. The average of the 2nd and 3rd positions of the ICE Futures Europe for the Robustas grew by 1.8%.



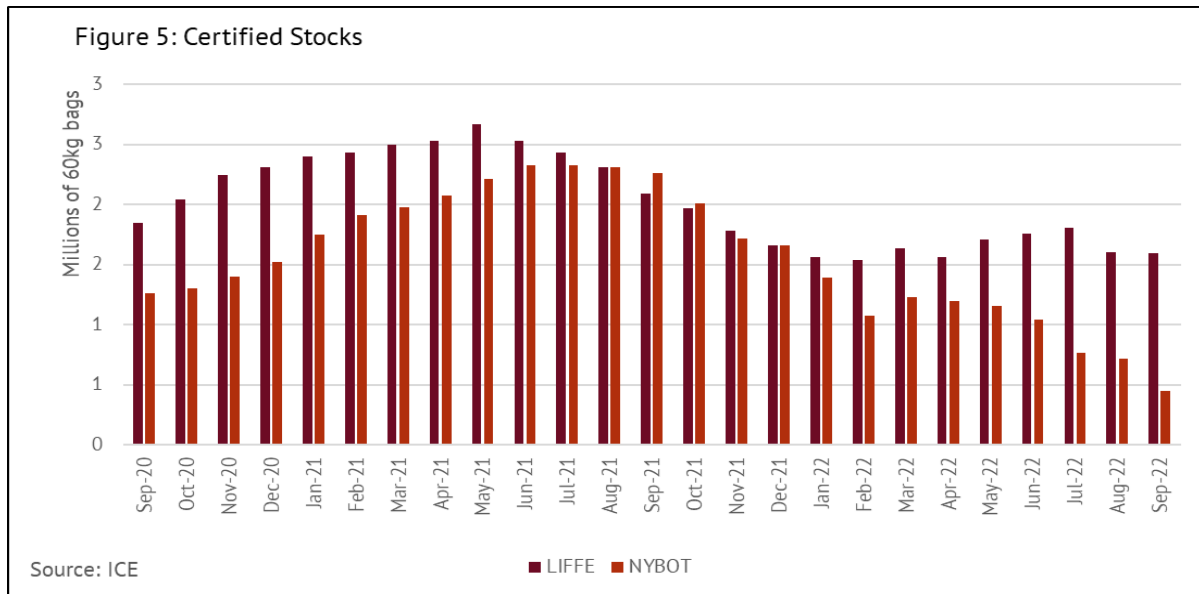
The Brazilian Naturals-Robusta differential took the hardest hit from August to September 2022, retracting 3.6% from 112.26 to 108.23 US cents/lb as growth of the Robustas outpaced the Brazilian Naturals. The Colombian Milds-Other Milds differential sustained a 2.3% loss for the aforementioned period, whilst the Colombian Milds-Robustas differential shrank by 1.8%. The Colombian Milds-Brazilian Naturals differential grew by 1% to 74.50 US cents/lb in September 2022. The strongest growth among all the differentials was observed for the Other Milds-Brazilian Naturals differential, gaining 3.0%, ranging 46.52 to 47.90 US cents/lb for their respective monthly averages. Lastly, the Other Milds-Robustas differential lost 1.7% from August to September 2022. The average of the monthly differential stood at 156.13 US cents/lb, down from 158.78 in August 2022.

The arbitrage between the New York and London Futures markets shrunk by 1.7%, falling to 117.74 US Cents/lb in September 2022 from 119.79 US cents/lb in August 2022.



Intra-day volatility of the I-CIP decreased 2.0 percentage points between August and September 2022, reaching a low of 8.3%. Robustas and the London futures market presented the lowest volatility amongst all group indicators, at 7.3% and 7.0% in September 2022. The Brazilian Naturals volatility, was the highest amongst the group indicators, averaging 10.9%, a 2.4 percentage point decrease from the previous month. The variation in volatility of the Colombian Milds and Other Milds for August to September 2022 is -2.0 to 8.0% and -2.8 to 8.6%, respectively. The New York futures market remained the most volatile, albeit posting a decrease of 3.4 percentage points, averaging 11.2% for the month of September 2022.

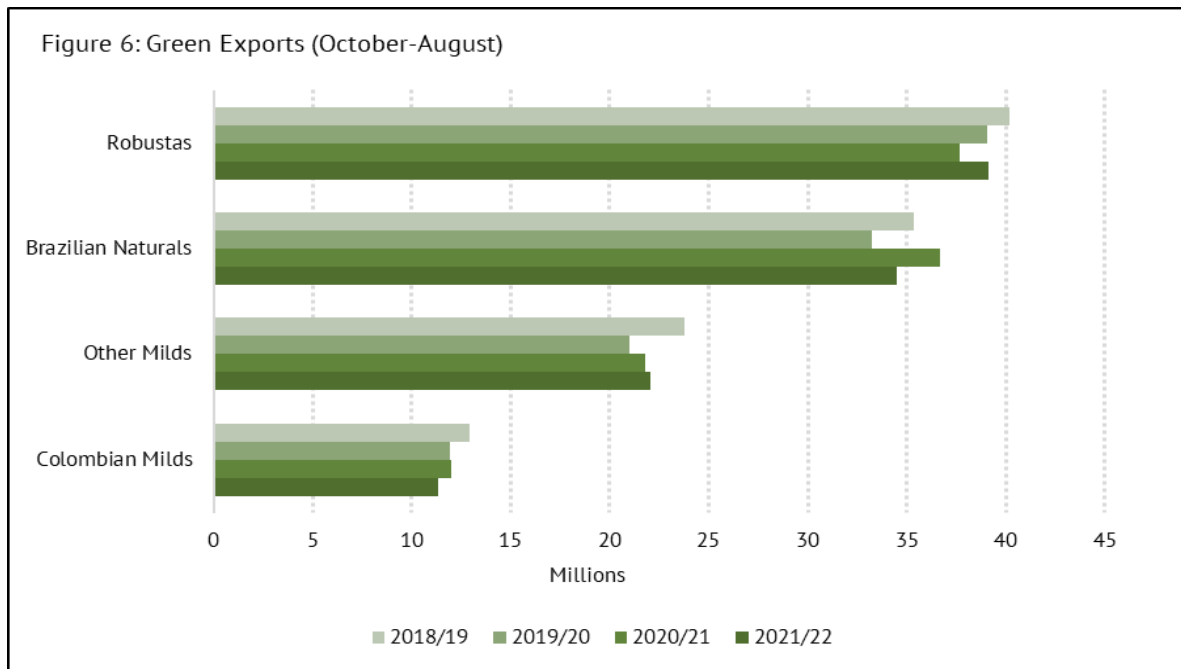
The New York certified stocks decreased 37.2% from the previous month, closing in at 0.45 million bags, whilst certified stocks of Robusta coffee reached 1.59 million bags, representing a decrease of 0.8%.



Export by Coffee Groups

Global exports of green beans in August 2022 totalled 8.83 million bags, compared with 9.17 million bags in the same month of the previous year, down 3.7%. The downturn was spread across all groups of coffee, with the exception of the Brazilian Naturals, which saw a 7.1% increase in August 2022 as compared with the same month a year ago. The second consecutive month of negative growth has pushed the cumulative total exports of green beans for the first 11 months of coffee year 2021/22 further into red, down 1.0% as compared to 0.7% decrease for the first 10 months of the current coffee year. The cumulative total for 2021/22 to August is 107.05 million bags as compared with 108.13 million bags over the same period a year ago.

Exports of the Colombian Milds decreased by 23.0% to 0.86 million bags in August 2022 from 1.12 million bags in August 2021, driven primarily by Colombia, the main origin of this group of coffee, whose exports of green beans were down 25.6% in August 2022. As a result of the relatively sharp downturn, exports of the Colombian Milds in October 2021–August 2022 were down by 5.7% at 11.32 million bags, as compared with 12.0 million bags in the first 11 months of coffee year 2020/21. Colombia exported 0.79 million bags of green beans in August 2022, the lowest August exports since 0.54 million bags were shipped in 2012.



The Brazilian Naturals bounced back in August with a 7.1% increase, following a 4.6% fall in July 2022, exporting 2.85 million bags as compared with 2.66 million bags in August 2021. The upturn was driven by Brazil, the biggest producer and exporter of the Brazilian Naturals, with its total green bean exports increasing by 4.6% in August 2022 to 2.44 million bags. However, the cumulative total exports of the Brazilian Naturals for coffee year 2021/22 to August 2022 is down 5.8% at 34.52 million bags, as compared with 36.66 million bags.

Shipments of the Other Milds decreased by 3.7% in August 2022 to 1.94 million bags from 2.01 million bags in the same period last year. This is the fifth consecutive months of fall. As a result, the cumulative volume of exports continued to increase but at a declining rate, falling to 1.3% in the first 11 months of coffee year 2021/22 (22.09 million bags vs 21.08 million bags) from 2.7% in the first 10 months of the same coffee year. Guatemala and Honduras were the two main origins responsible for the latest fall in exports of the Other Milds, with their exports of green beans plunging by 27.7% and 41.3%, respectively. In Honduras, the coffee industry is struggling with leaf-rust, or *roya*, which has hit the industry's harvests, with the country's coffee association lowering the exports outlook for coffee year 2021/22, twice already, from 5.823 million bags to 4.61 million bags. Guatemala is also dealing with impact of a lower production, due mainly to climatic reasons and availability of labour, that is having a knock-on effect on the country's exports.

Exports of the Robustas totalled 3.17 million bags in August 2022, as compared with 3.38 million bags in August 2021, down 6.0%. Exports of green beans for the first 11 months of the current and previous coffee years for the Robustas were 42.57 million bags and 41.22 million bags, respectively, up 3.8%. Ethiopia and India are the two main origins behind the latest downturn, suffering from 16.0% and 13.1% decreases, respectively, in August 2022, with their total green bean exports at 0.43 million bags and 0.37 million bags, respectively. India, especially, has had a good year so far, with the total exports of green beans for the first 11 months of coffee year 2021/22 increasing by 31.1% to 4.62 million bags as compared to

3.53 million bags, an increase of 1.1 million bags. As a result, the production/export ratio is falling sharply, down from 1.48 in coffee year 2020/21 to 1.12 in coffee year 2021/22. The ratio is a good indication of supply availability. Therefore, it is possible that the sharp fall in India's August 2022 exports is a reflection of the supply availability towards the end of a stellar year.

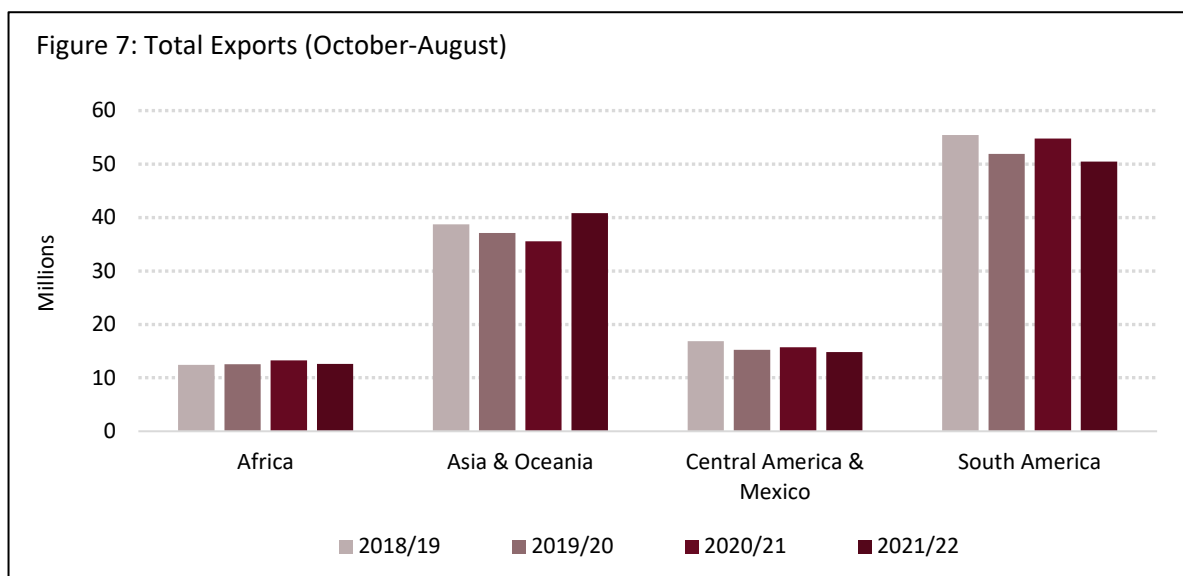
Total exports of soluble coffee increased by 13.2% in August 2022 to 0.98 million bags from 0.87 million bags in August 2021. In the first 11 months of coffee year 2021/22, a total of 11.06 million bags of soluble coffee were exported, representing an increase of 6.3% from the 10.4 million bags exported in the same period during the previous coffee year. The share of soluble coffee of the total exports of all forms of coffee was 9.3% (measured on a moving 12-month average) in August 2022. Brazil is the largest exporter of soluble coffee, shipping 3.58 million bags in the first 11 months of coffee year 2021/22, followed by India with 2.0 million bags, with Indonesia in third place at 1.53 million bags exported over the same period.

Exports of roasted beans increased by 59.9% in August 2022 to 89,548 bags from 55,995 bags in August 2021. The cumulative total for coffee year 2021/22 to August 2022 was 0.75 million bags, as compared with 0.72 million bags in same period a year ago.

Regional outlook

In October 2021 to August 2022, South America's exports of all forms of coffee decreased by 23.3% to 50.46 million bags. Brazil and Colombia are the reasons for this large drop in exports. During this period, shipments from Brazil declined by 27.2% to 34.74 million bags from 47.4 million bags in October-August 2020/21. The volume of exports from Colombia is down 18.7% in the first 11 months of coffee year 2021/22 at 11.17 million bags, from 13.74 million bags in the same period a year ago. A smaller crop harvested during its Arabica "off-season, along with problems with containers and shipping, mainly noted during the middle of the current coffee year, explains the large drop in exports of all forms of coffee in Brazil, while the fall in the exports of Colombia is linked to persistent unfavourable weather conditions reducing the available supply of coffee in the country. Nevertheless, Peru is enjoying a good year, with exports of all forms of coffee expanding by 6.1% in the first 11 months of coffee year 2021/22 to 4.05 million bags from 3.82 million bags in the same period a year ago.

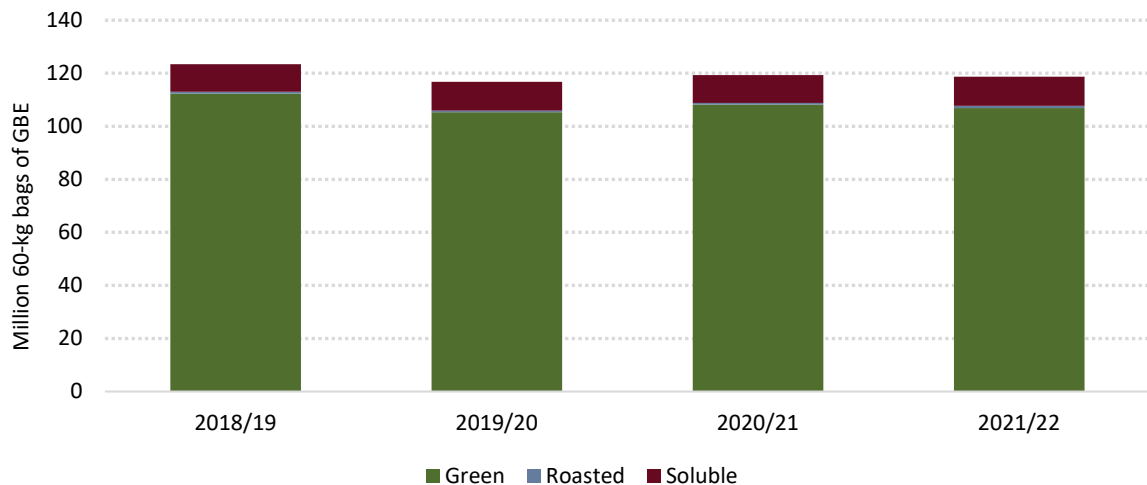
Exports of all forms of coffee from Asia & Oceania increased by 2.7% to 3.25 million bags in August 2022, but were down 1.5% to 40.86 million bags in the first 11 months of coffee year 2021/22. Indonesia was the origin behind the uptick for August, with its exports growing by 20.1% to 0.65 million bags from 0.54 million bags in August 2021. However, the country is also the main reason behind the negative cumulative growth of the region for the season so far: exports of all forms of coffee are down 17.8% to 6.24 million bags in the first 11 months of coffee year 2021/22 as compared with 7.59 million bags in the same period a year ago. Vietnam, the region's biggest producer and export, made a margin gain in August, with the origin's exports increasing by 0.1% to 1.89 million bags, bringing the year's total (October 2021 to August 2022) to 26.6 million bags, up 1.8% year-on-year. India's shipments were down 6.0% in August 2022 to 0.57 million bags, however the total for the first 11 months remains up at 8.5%, 6.64 million bags versus 6.12 million bags in the first 11 months of coffee year 2021/22.



Exports of all forms of coffee from Africa decreased by 11.9% to 1.24 million bags in August 2022 from 1.4 million bags in August 2021. For the first 11 months of the current coffee year, exports totalled 12.48 million bags as compared with 15.44 million bags in coffee year 2020/21. Uganda is the main source of the downturn for the region in August, with its exports falling by 28.5% to 0.5 million bags as compared to 0.7 million bags in August 2021. The cumulative total for coffee year 2021/22 to August 2022 is also down, decreasing by 23.0% to 5.35 million bags from 6.94 million bags in the same period a year ago. The decrease in exports was mainly due to the impact of drought in most of the coffee growing regions, which led to a lower and shorter main harvest season in central and eastern parts of Uganda, and hence lower output.

In August 2022, exports of all forms of coffee from Mexico & Central America were down 7.4% to 1.19 million bags as compared with 1.29 million in August 2021. For the first 11 months of the current coffee year, exports are down 13.0%, totalling 15.07 million bags as compared with 17.34 million bags in October–August 2020/21. The region’s sharp downturn in August was due Guatemala and Honduras, down 27.8% and 41.3%, respectively. For the first 11 months of coffee year 2021/22, the total exports are 3.16 million bags and 4.53 million bags, for the two origins, respectively, down 15.6% and 24.0%. The reason for the poor performance of the two origins has already been explained in the “Exports by Coffee Groups” section above.

Figure 8: Total Exports (October-August)



Production and Consumption

The provisional outlook 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 expected to exceed production by 3.1 million bags.

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							
Oct-21	181.57	258.87	241.06	199.98	105.24	206.05	96.36
Nov-21	195.17	279.56	258.95	218.90	109.40	223.94	100.30
Dec-21	203.06	290.57	267.71	230.26	112.76	234.14	104.14
Jan-22	204.29	294.93	271.08	233.80	109.71	236.13	101.06
Feb-22	210.89	306.36	279.83	245.05	109.44	245.38	100.58
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
% change between Aug-22 and Sep-22							
	-0.2%	-0.5%	-0.3%	-1.0%	1.6%	-0.1%	1.8%
Volatility (%)							
Aug-22	10.3%	10.0%	11.4%	13.3%	6.6%	14.6%	7.1%
Sep-22	8.3%	8.0%	8.6%	10.9%	7.3%	11.2%	7.0%
Variation between Aug-22 and Sep-22							
	-2.0	-2.0	-2.8	-2.4	0.7	-3.4	-0.1

* 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*
Sep-21	14.84	56.66	135.78	41.82	120.94	79.12	96.39
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
% change between Aug-22 and Sep-22							
	-2.3%	1.0%	-1.8%	3.0%	-1.7%	-3.6%	-1.7%

* 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

	Aug-21	Aug-22	% change	Year to Date Coffee Year		
				2020/21	2021/22	% change
TOTAL	10,096	9,901	-1.9%	119,249	118,864	-0.3%
Arabicas	6,285	6,240	-0.7%	76,233	74,078	-2.8%
<i>Colombian Milds</i>	1,199	958	-20.1%	12,983	12,392	-4.6%
<i>Other Milds</i>	2,223	2,198	-1.2%	24,018	24,584	2.4%
<i>Brazilian Naturals</i>	2,863	3,085	7.8%	39,232	37,102	-5.4%
Robustas	3,811	3,660	-4.0%	43,016	44,786	4.1%

In thousand 60-kg bags

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

	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
New York	2.01	1.71	1.66	1.39	1.08	1.23	1.20	1.16	1.04	0.77	0.72	0.45
London	1.97	1.78	1.66	1.57	1.54	1.63	1.56	1.71	1.76	1.80	1.61	1.59

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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