# Coffee Market Outlook

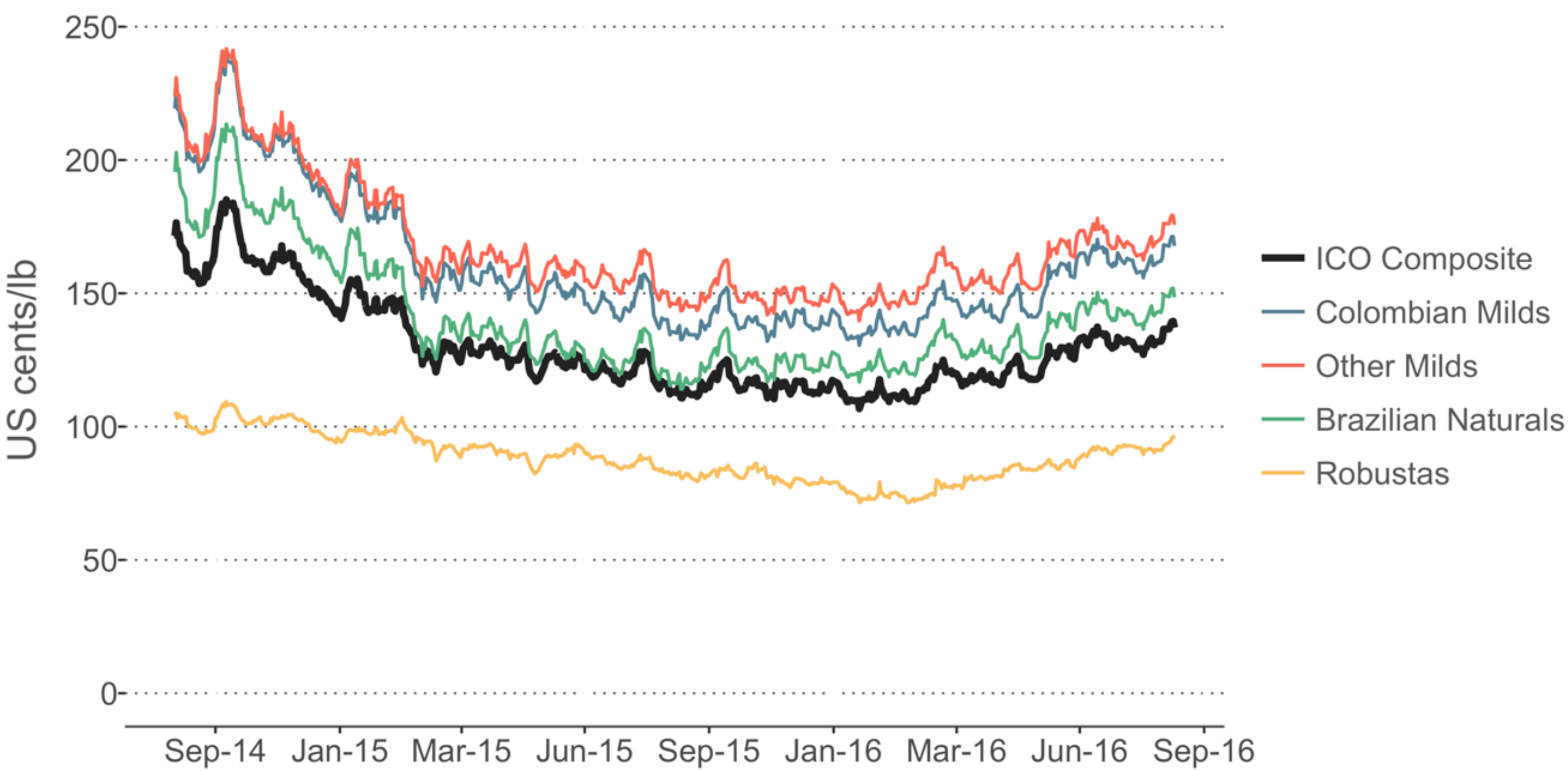
117th International Coffee Council

September 2016

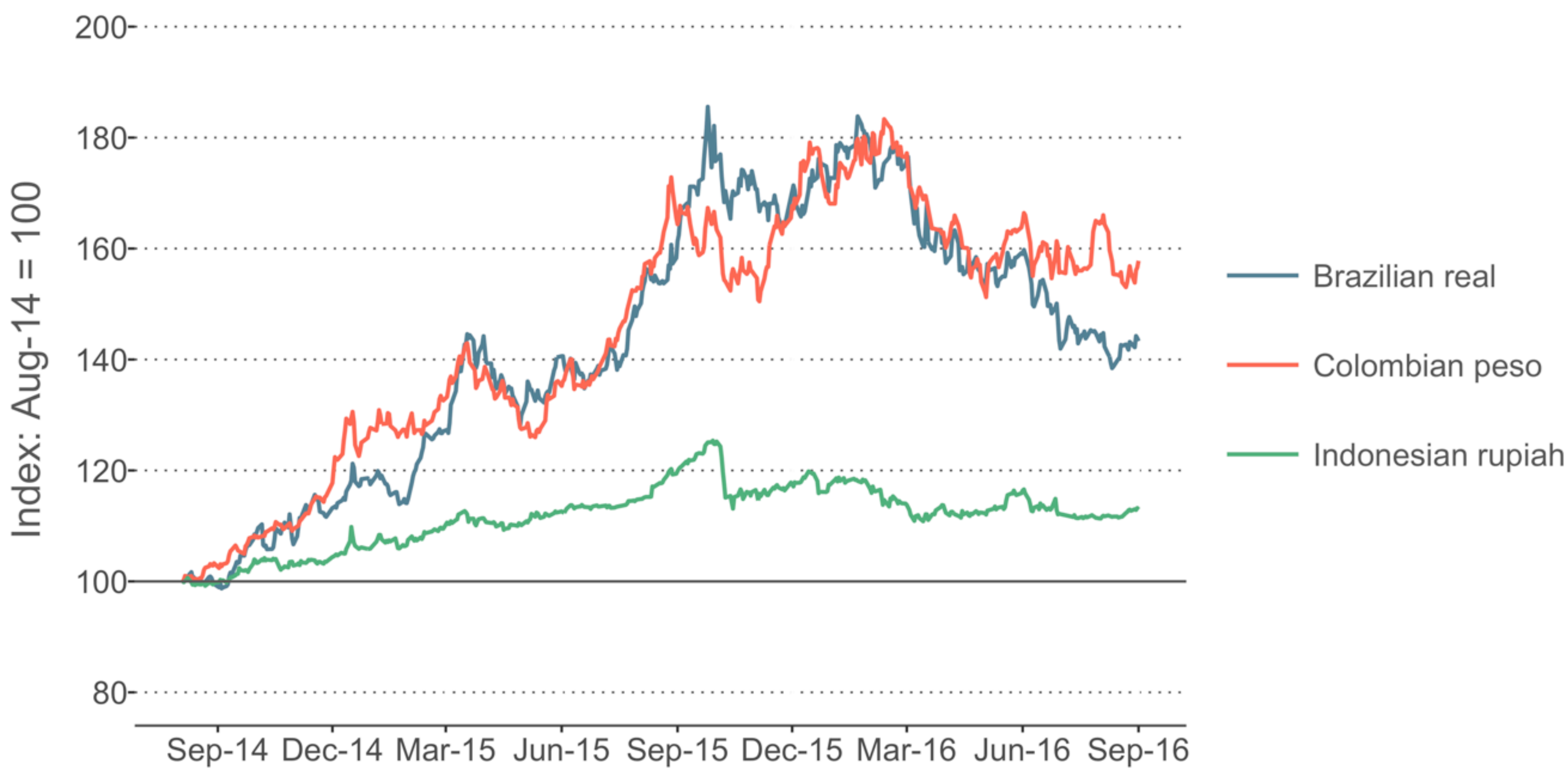
# Prices


InterContinentalExchange, Inc.
134.3600
6.05 4.72%
S&P500
ICE
888,140
0
135.25
OPEN
135.40
HIGH
134.00
LOW
ice
EAT 100@31.5308

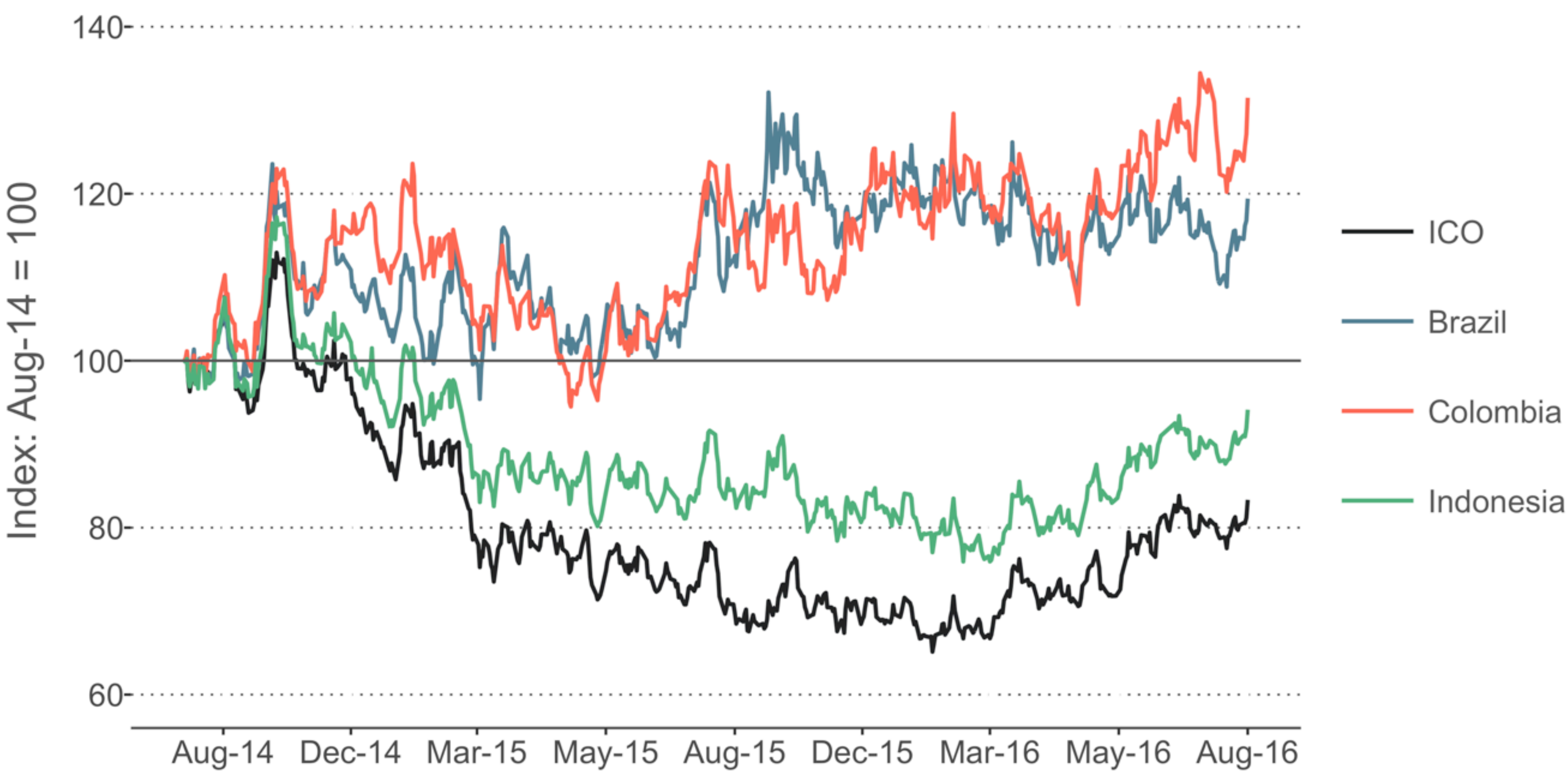
# Daily prices: Last two years



# Movements in exchange rates
## (US$ against local currencies)

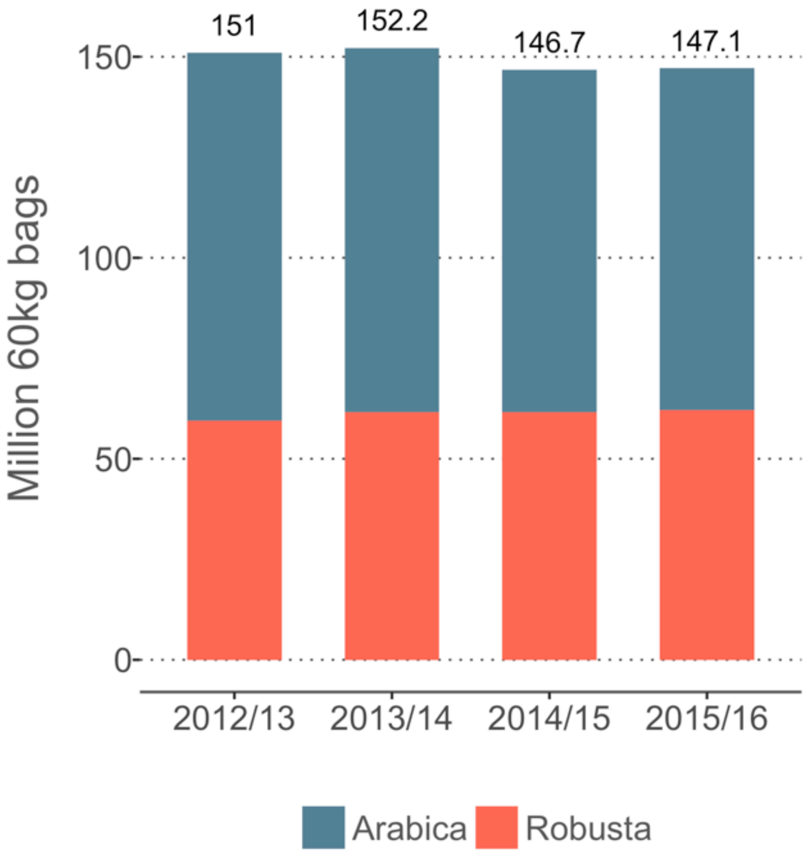


# Currency depreciation offsets decline in world market price




Supply &
Demand

# World coffee production

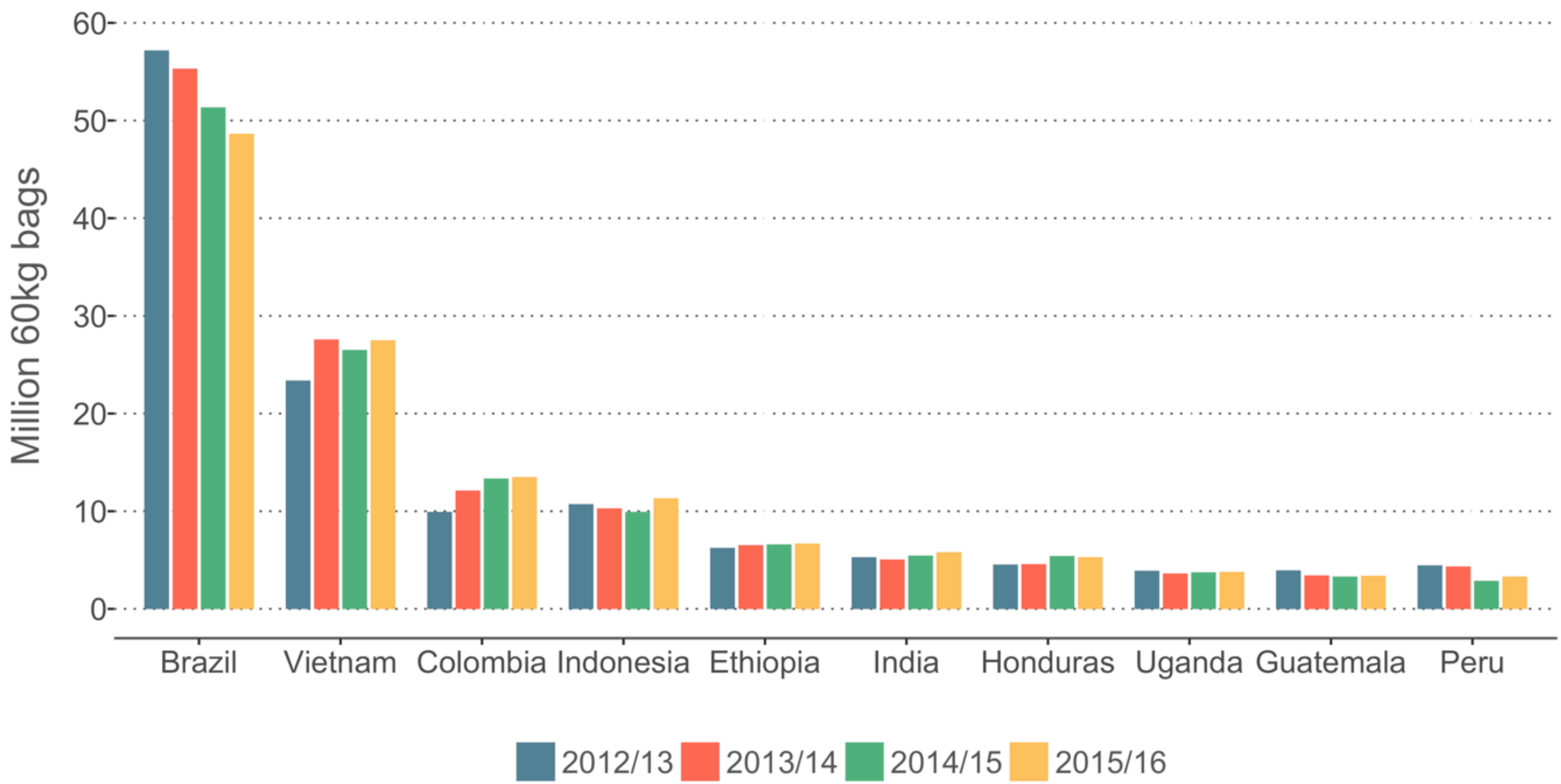



- 147.1 million bags in crop year 2015/16

- 0.3% increase on 2014/15

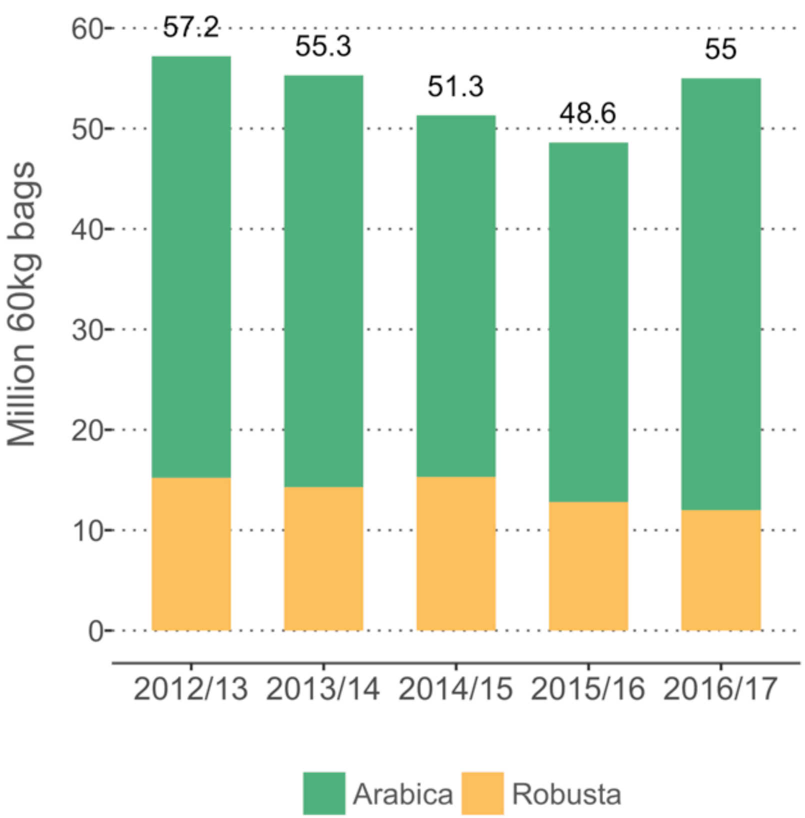
- Arabicas unchanged
- Robustas ↗ 0.9%

# World coffee production (2)

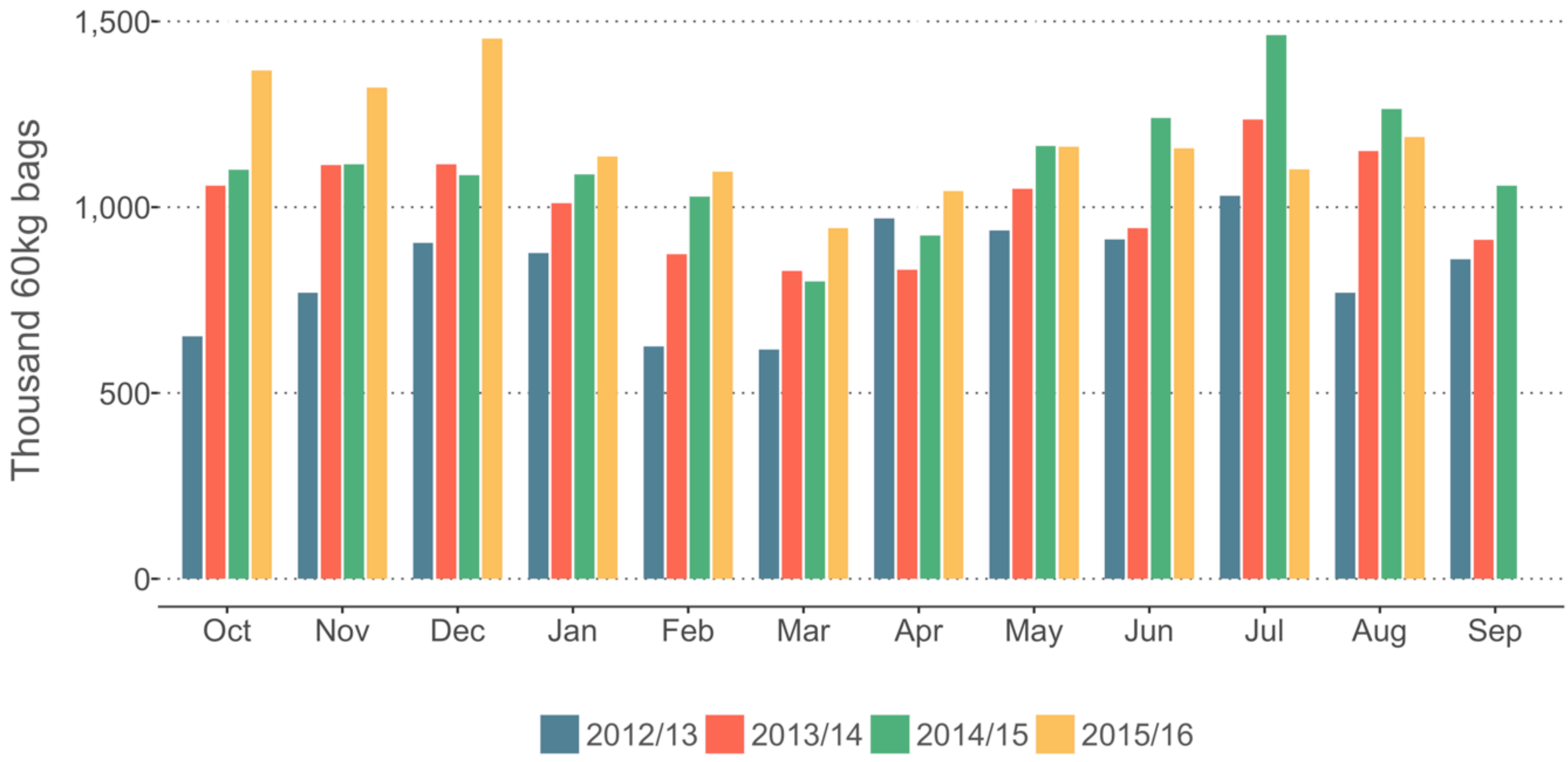


# Production in Brazil

- Current ICO estimate of 2016/17 production: 55 million bags
- Significant recovery after three consecutive years of lower output
- Domestic consumption estimated at 20.5 million bags

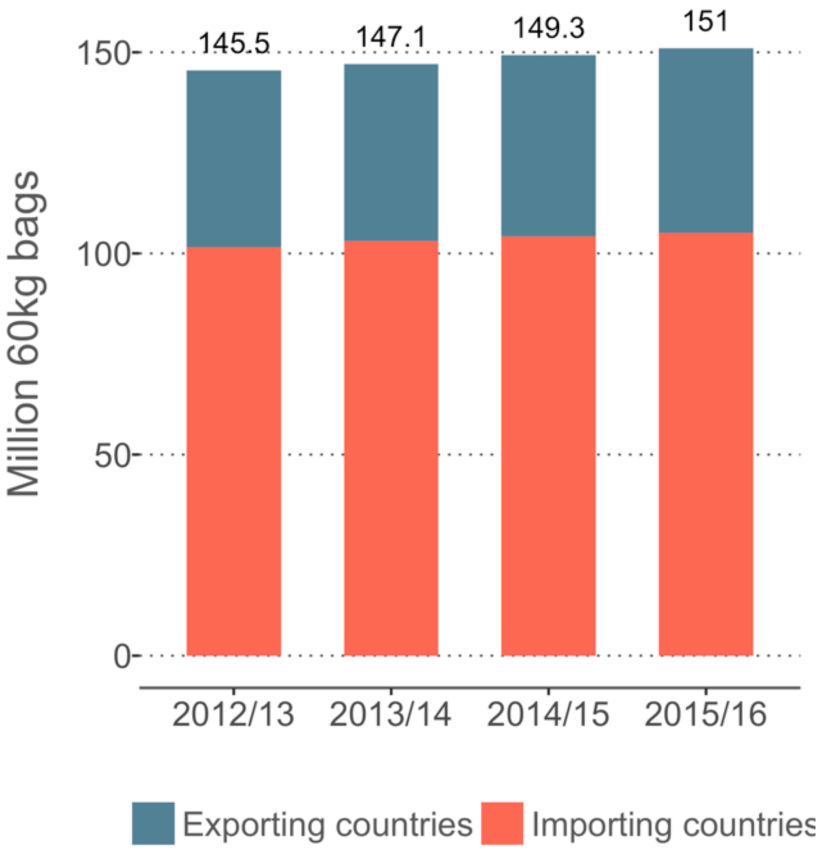


# Production in Colombia

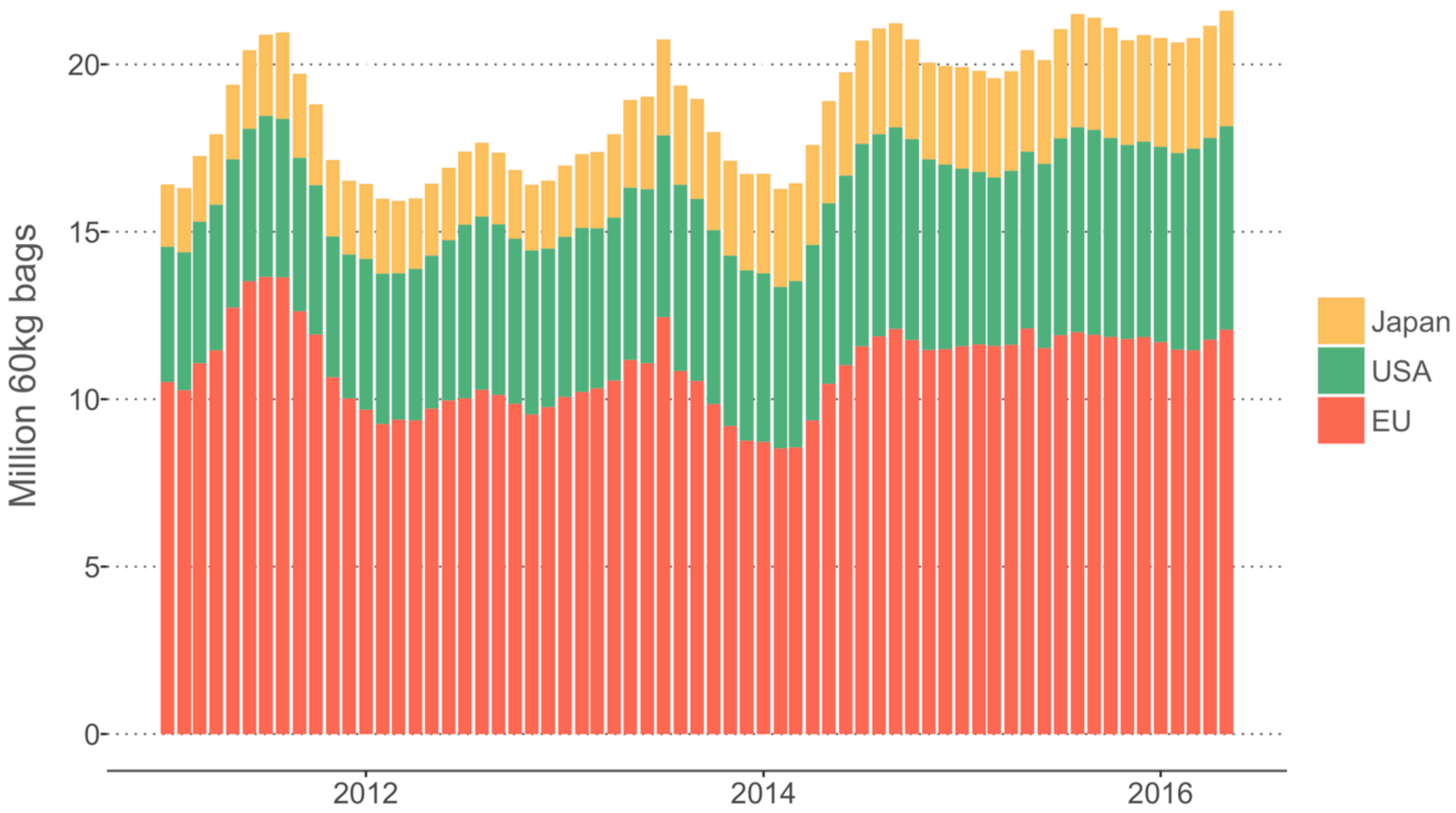


# World consumption

- Increasing by 1.1% to 151.0 million bags in coffee year 2015/16
- Still strong demand in many countries, particularly some traditional markets
- But biggest potential is emerging markets and exporting countries

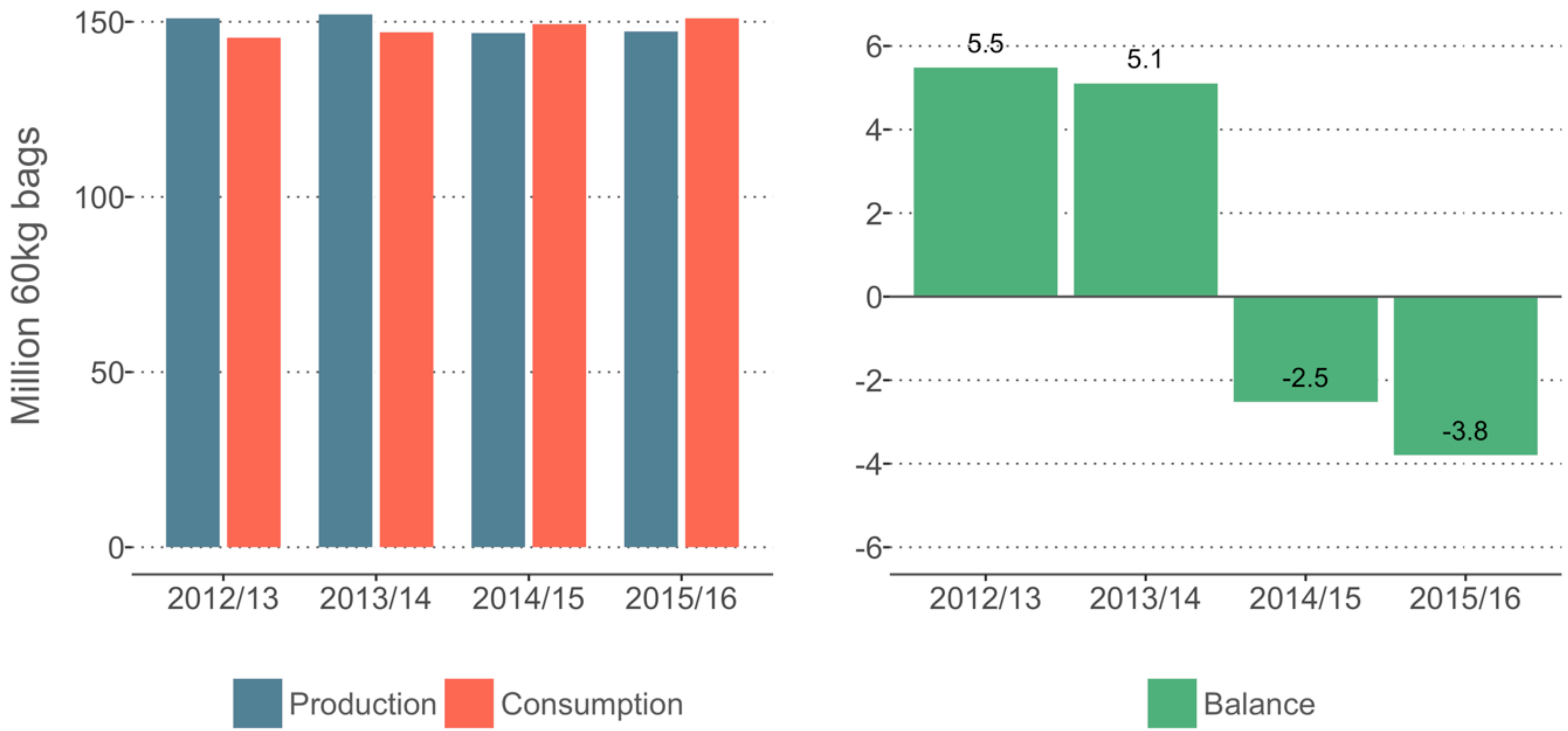


# Inventories in importing countries

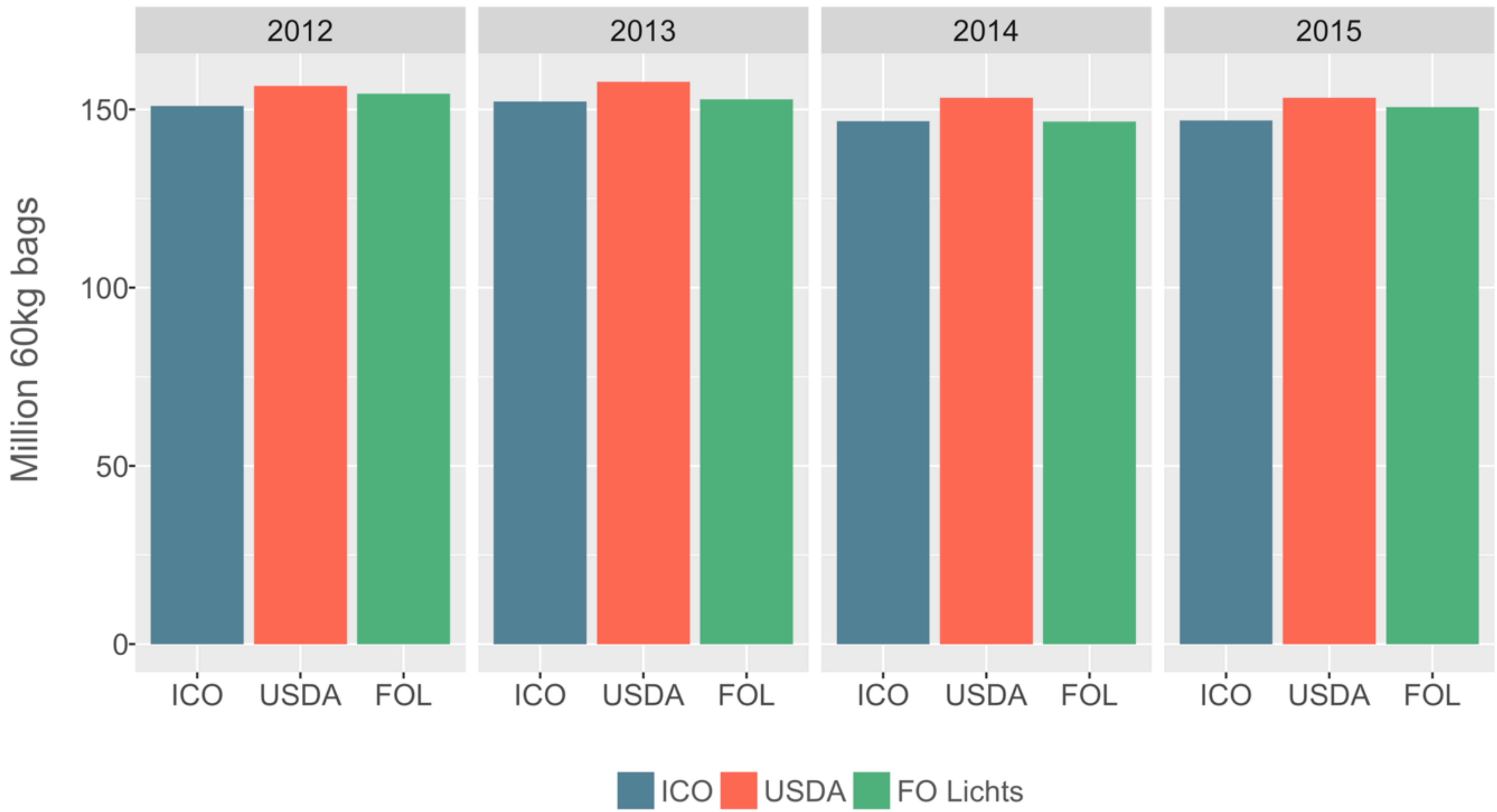



Balance

# Supply/Demand Balance



# Comparison with other sources




Conclusions

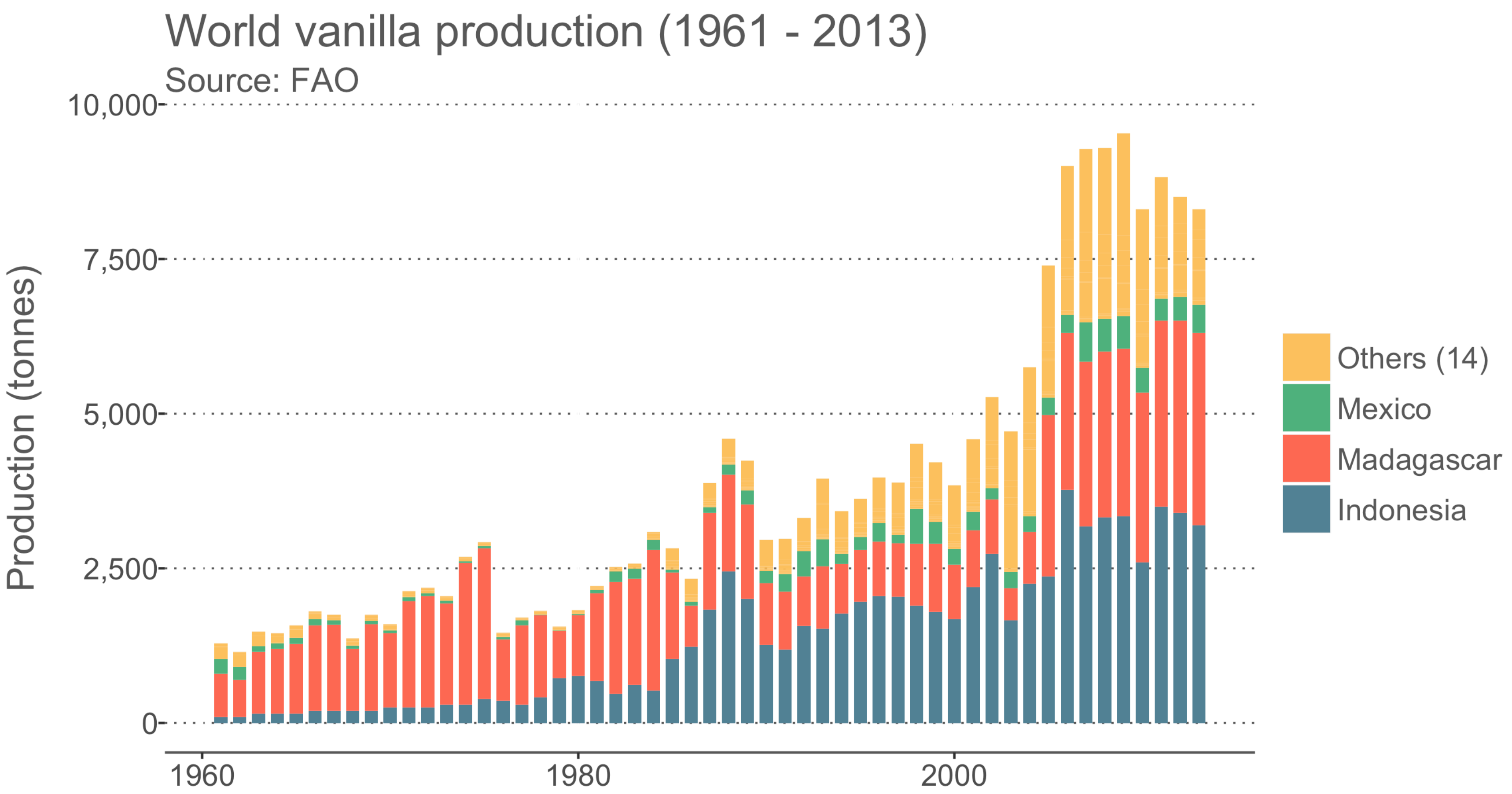
Coffee market in deficit for second consecutive year in 2015/16

# Concerns ahead for Robusta in 2016/17

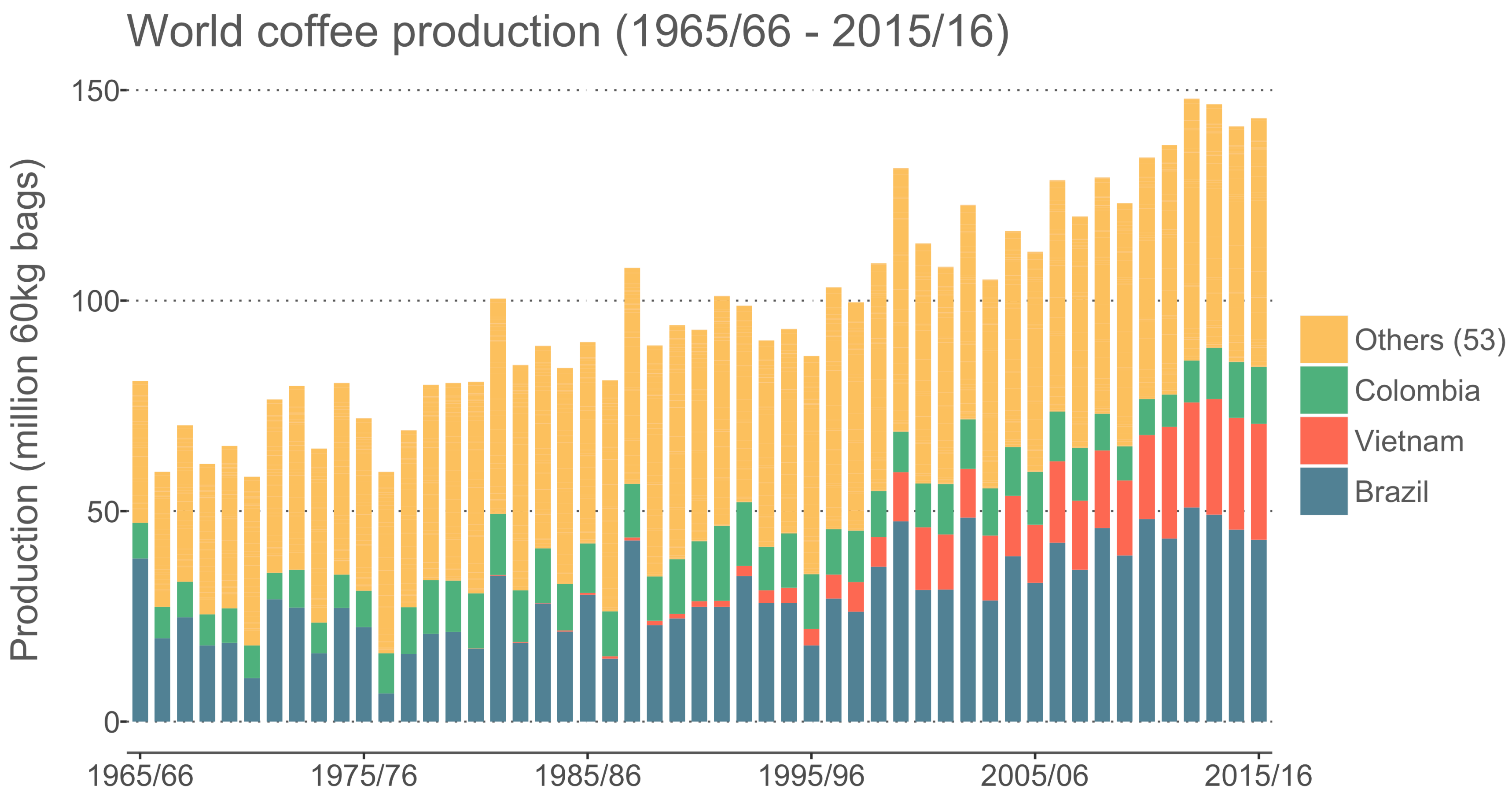

And finally

# Comparison with vanilla (1)

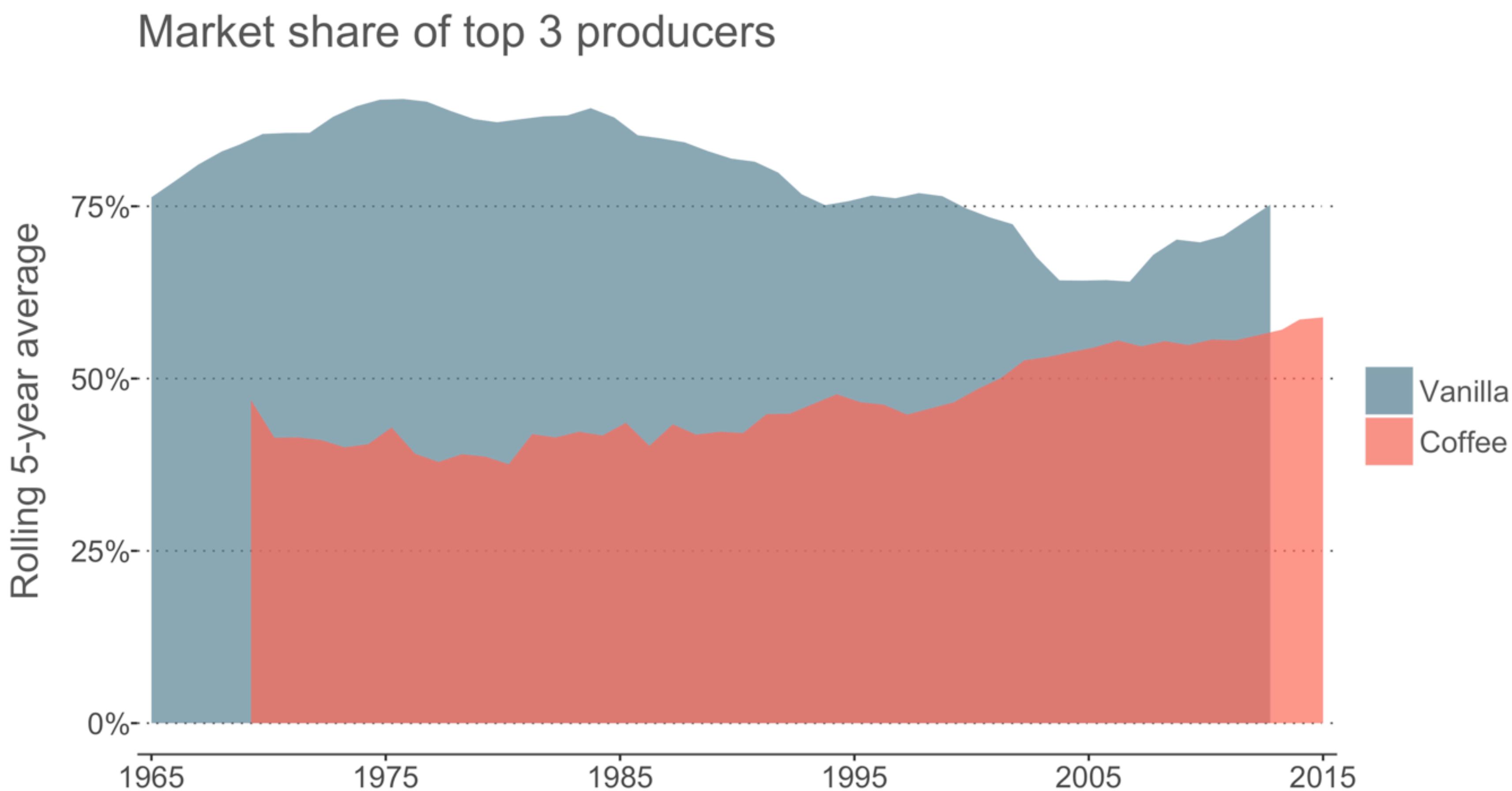
# Comparison with vanilla (2)



# Comparison with vanilla (3)



# Comparison with vanilla (4)



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Thank you