

A large teal circle is centered on the page. It is surrounded by two concentric rings: an inner ring of light green and an outer ring of light orange. The text is centered within the teal circle.

Coffee Market Outlook

117th International Coffee Council
September 2016

Prices

InterContinental Exchange, Inc.

134.3600
6.05 ↑ 4.72%

588,500
ICE
888,140

0
OFFERING SIZE
OFFERING PRICE
135.25
OPEN

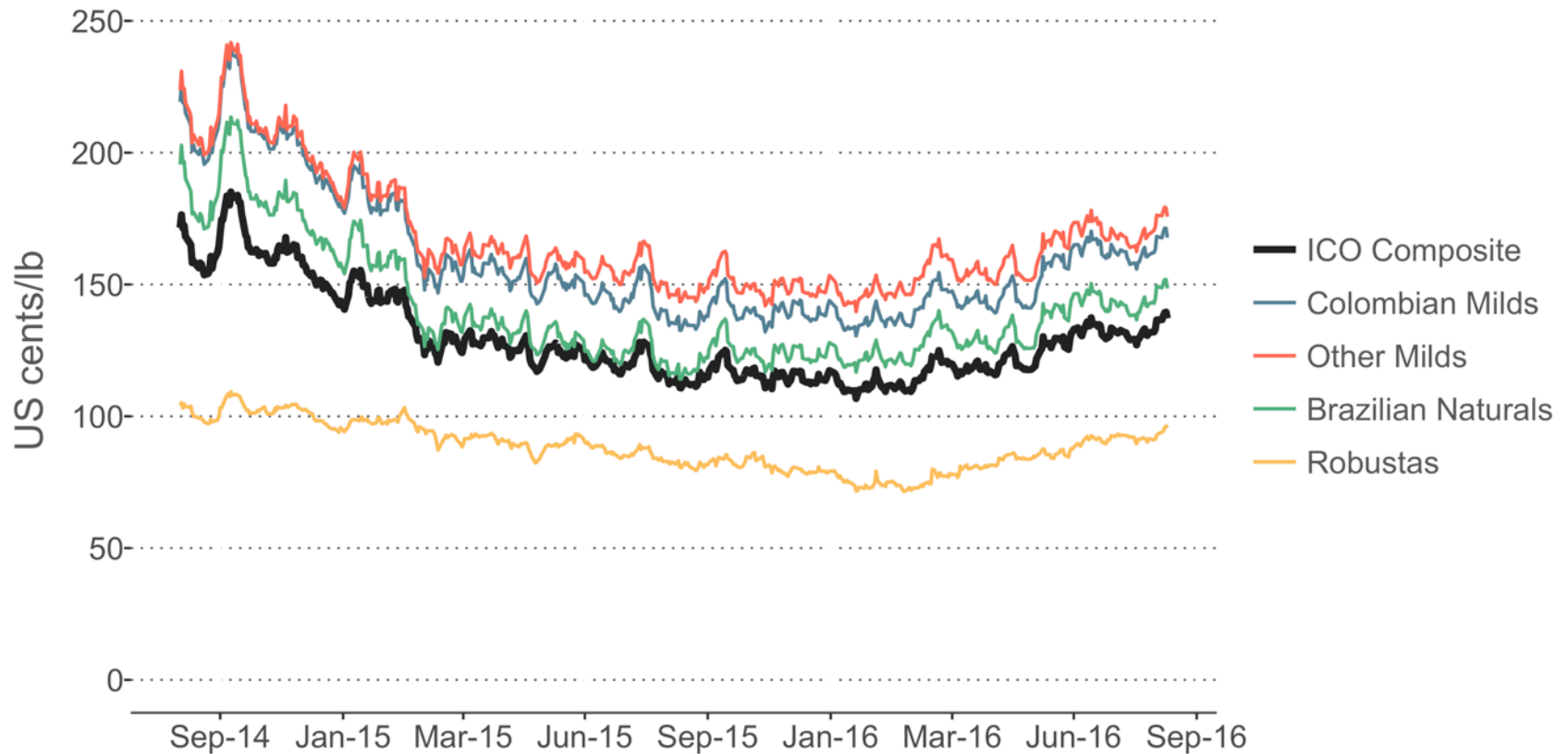
135.40
HIGH

134.00
LOW

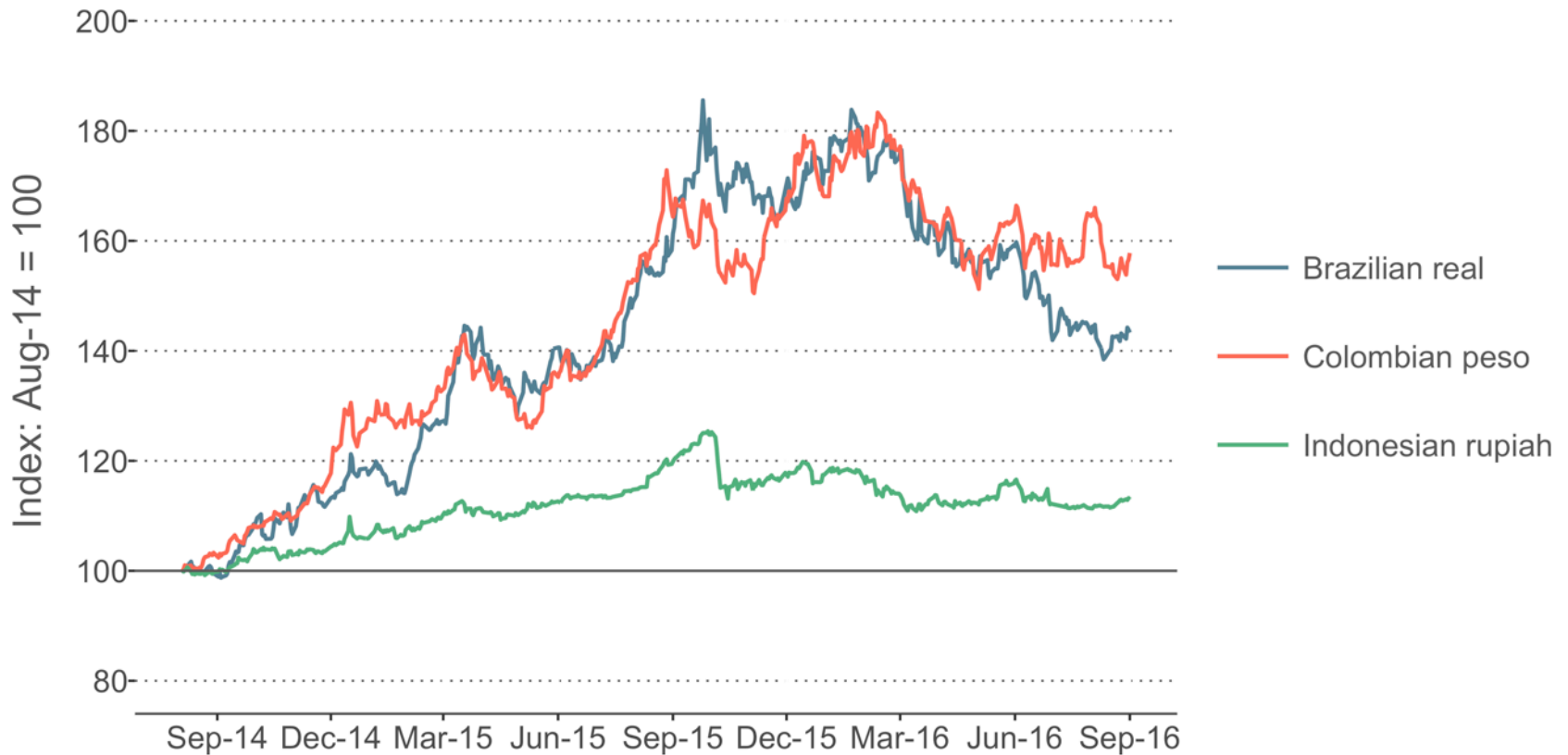
EAT 100 @ 31.5308

Price

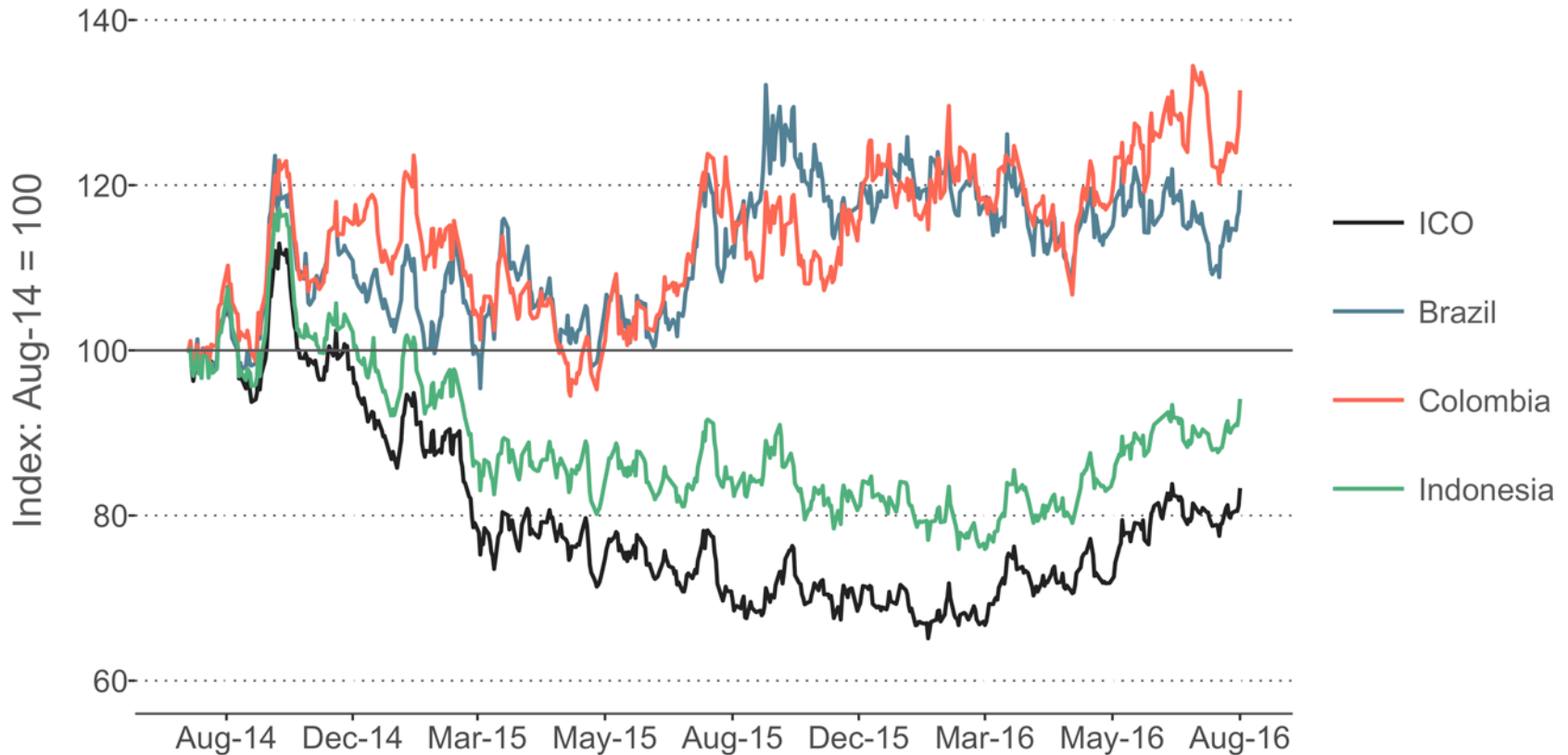
Daily prices: Last two years



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



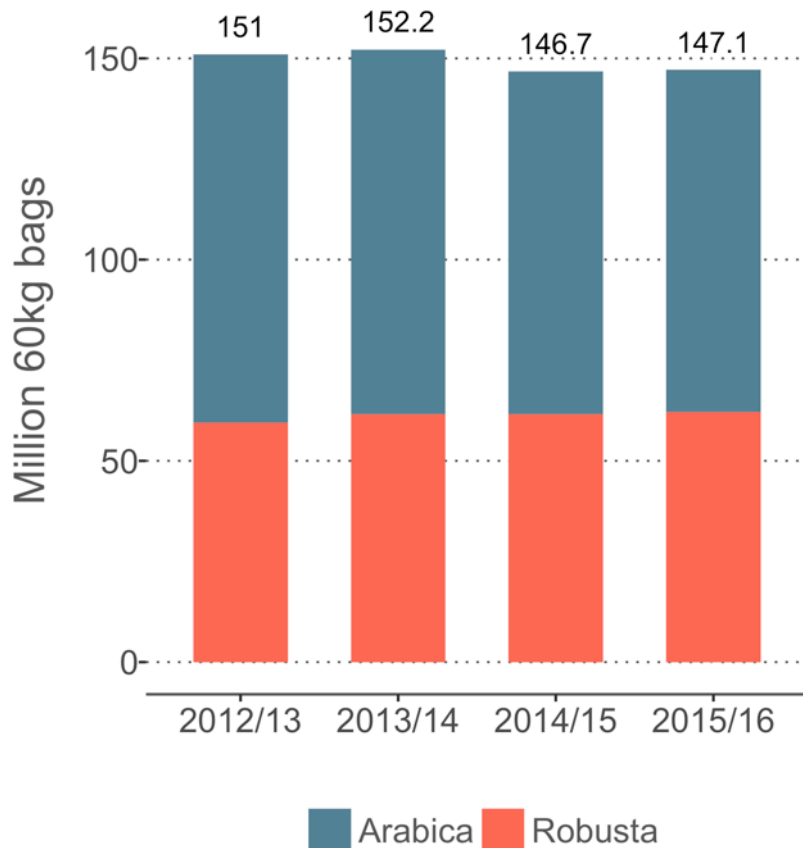
Currency depreciation offsets decline in world market price





Supply & Demand

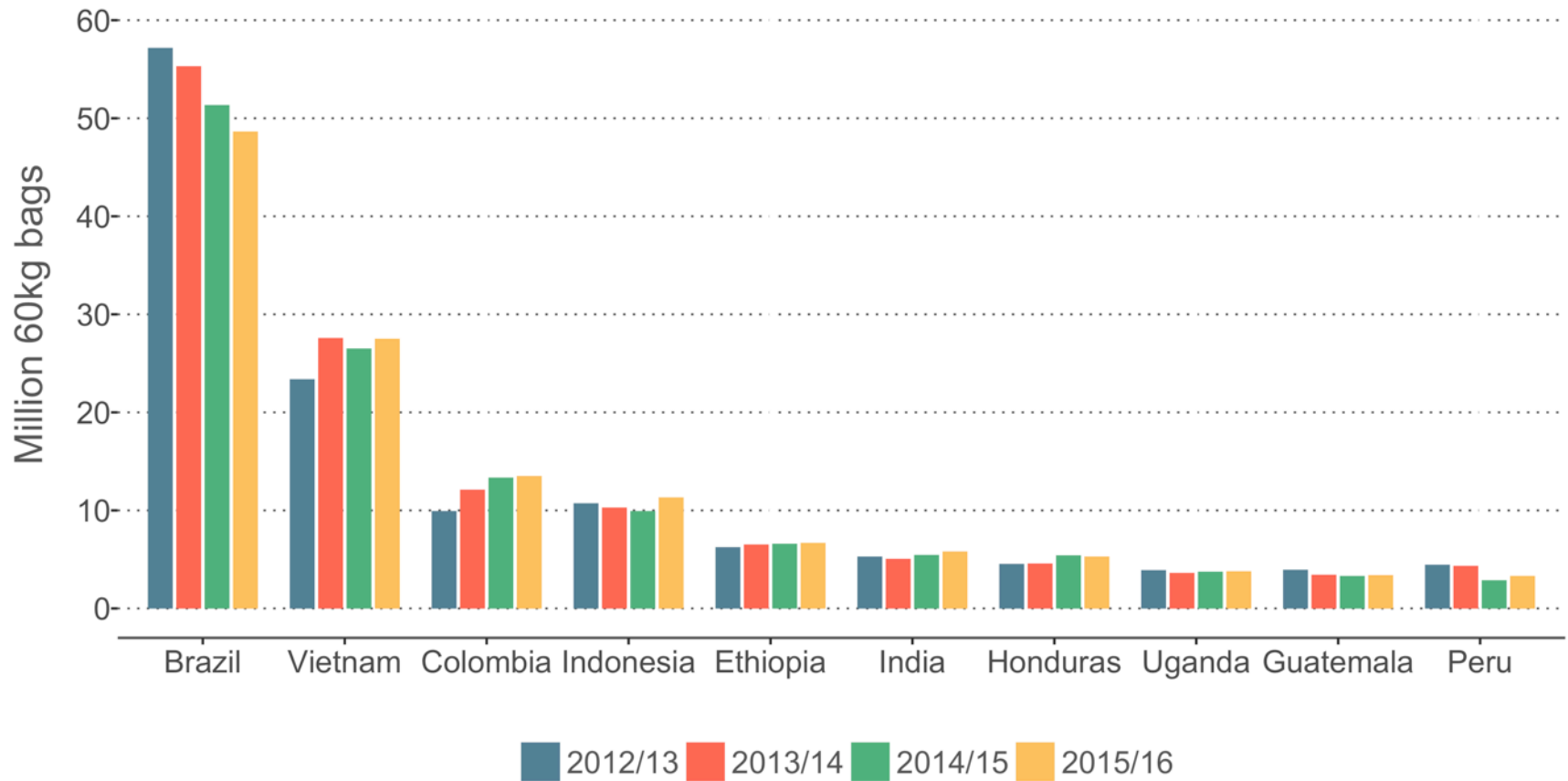
World coffee production



- 147.1 million bags in crop year 2015/16
- 0.3% increase on 2014/15
- Arabicas unchanged
- Robustas ↗ 0.9%

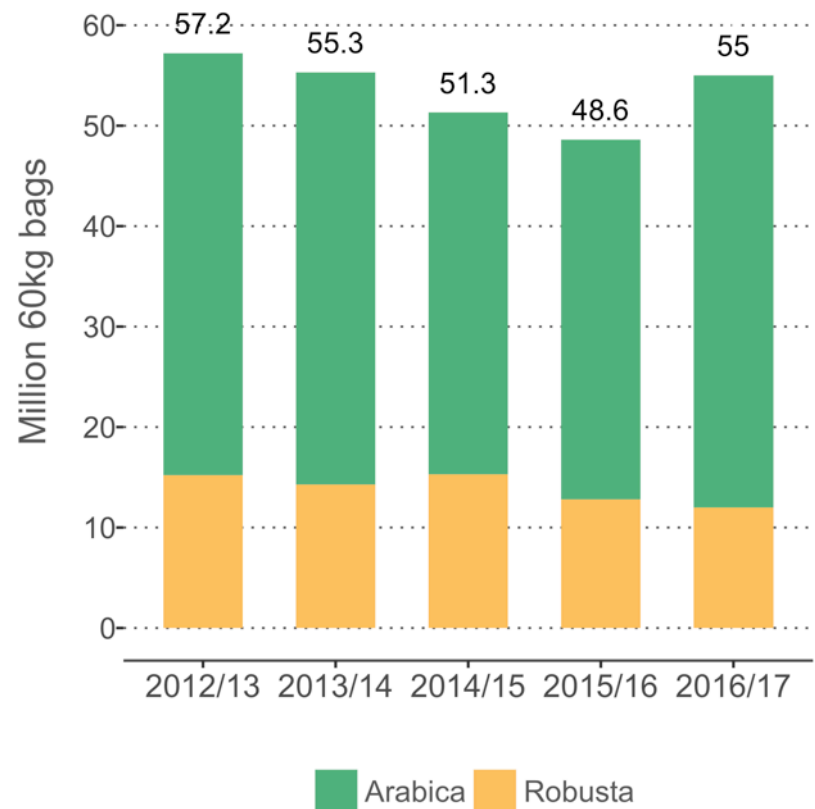


World coffee production (2)

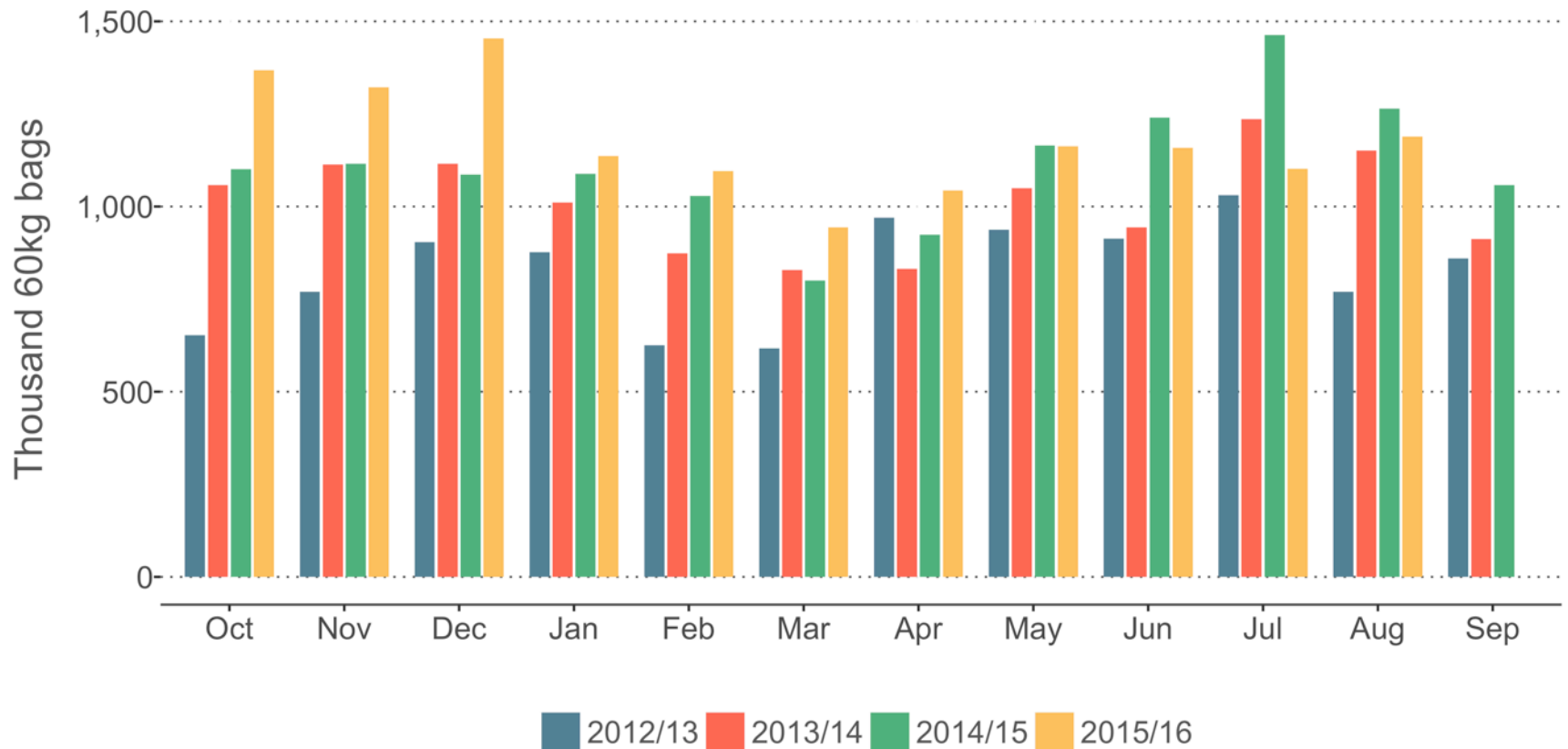


Production in Brazil

- 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

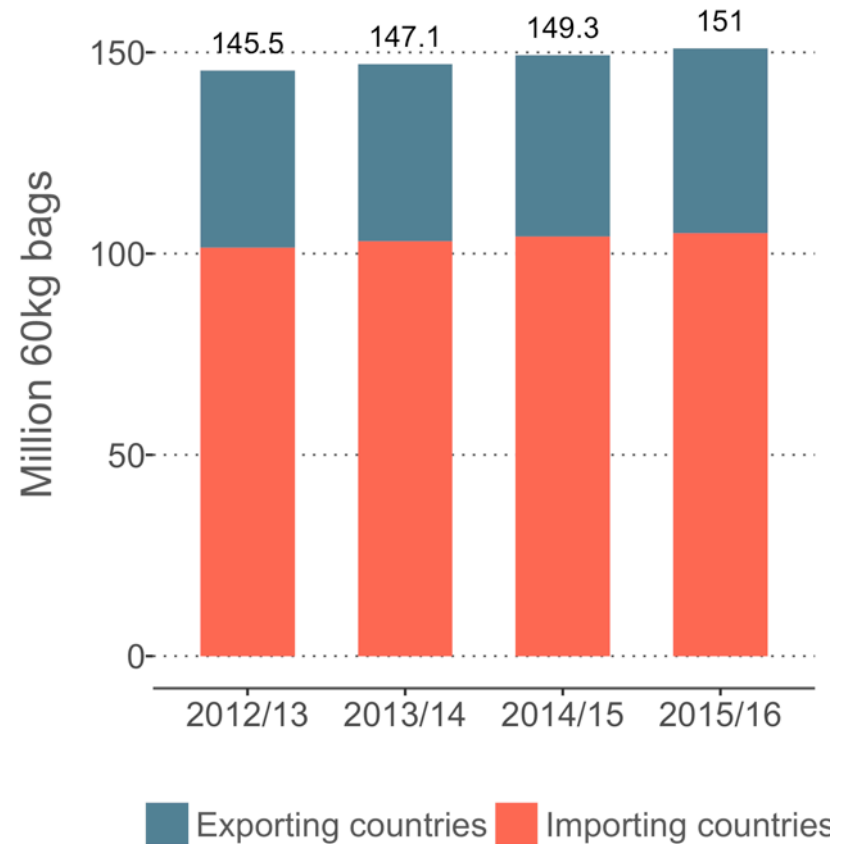


Production in Colombia

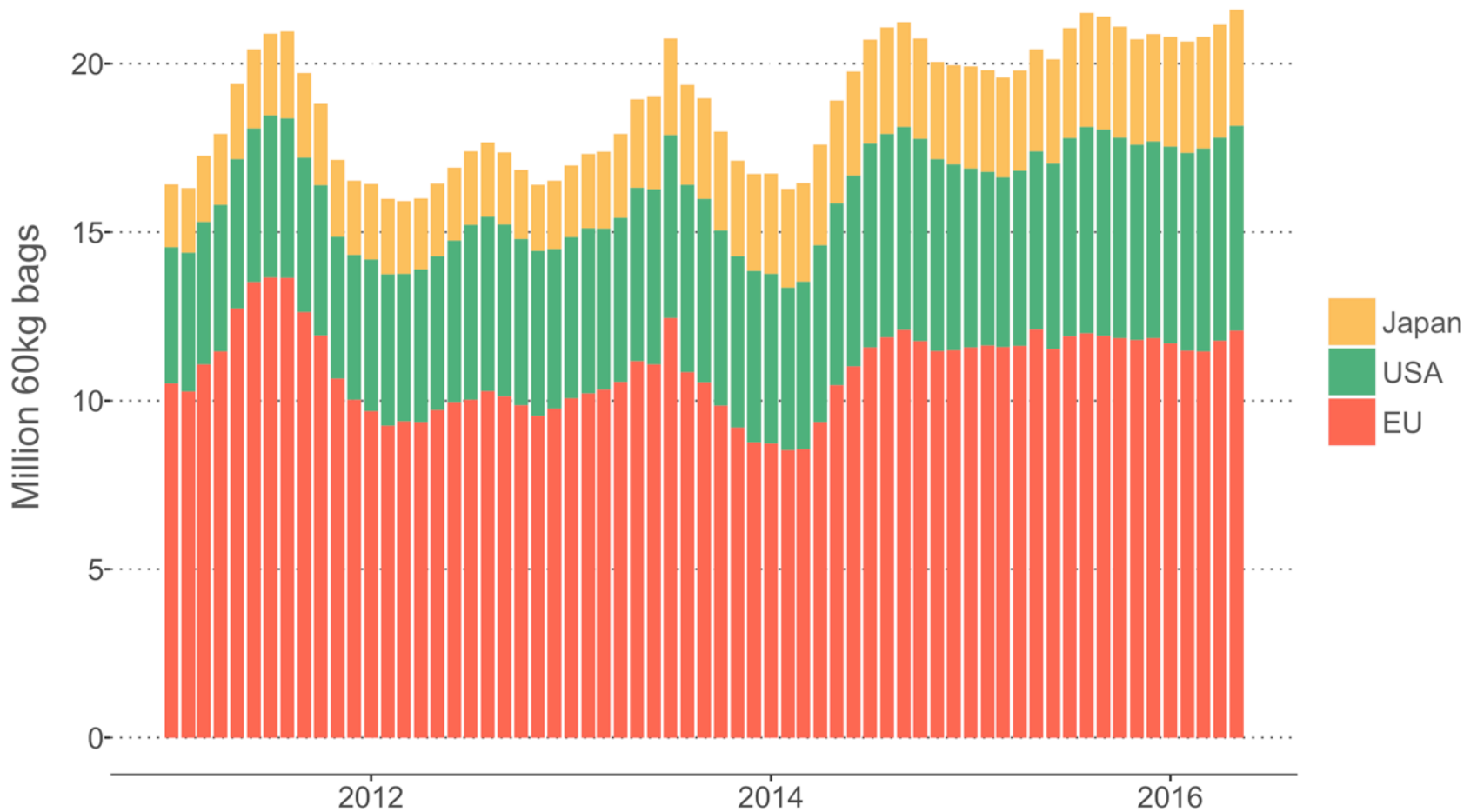


World consumption

- 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



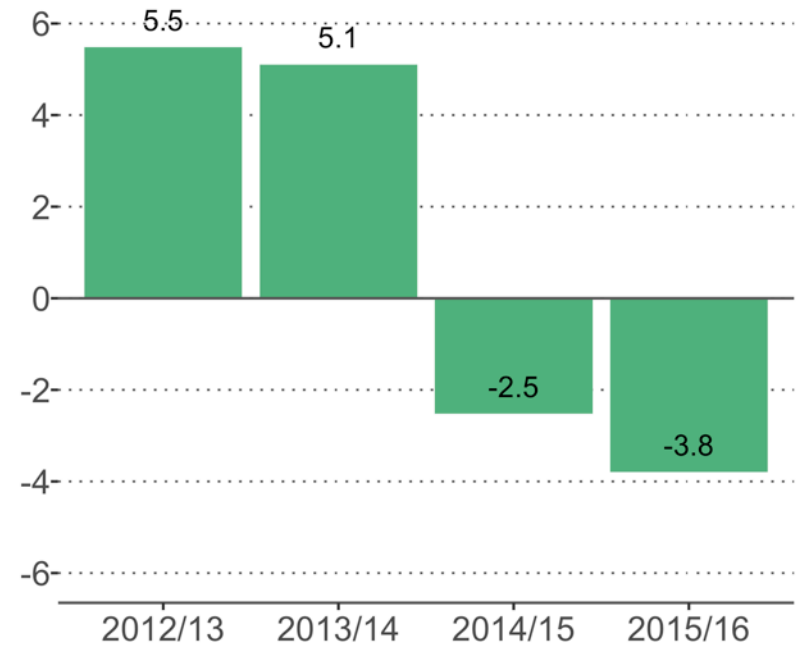
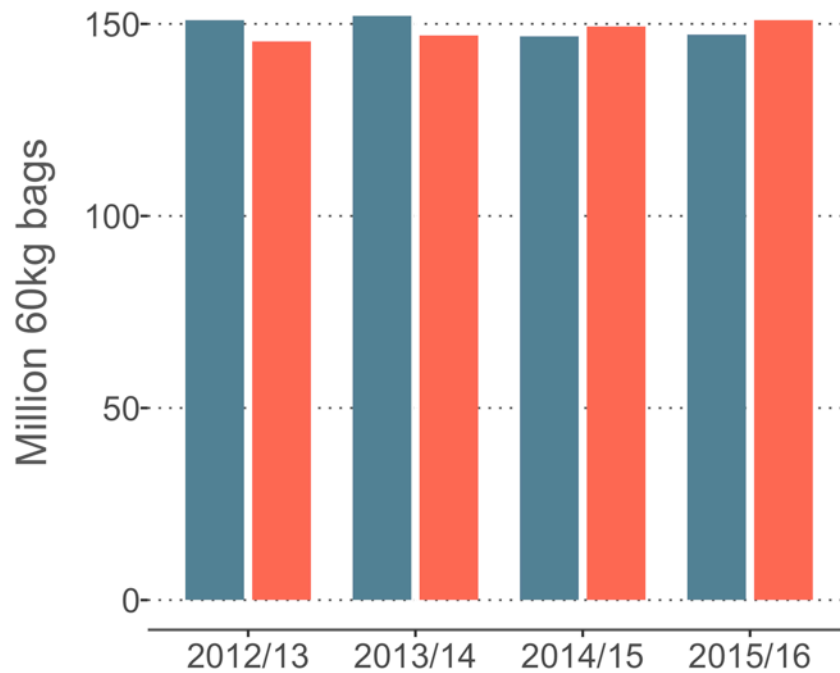
Inventories in importing countries





Balance

Supply/Demand Balance

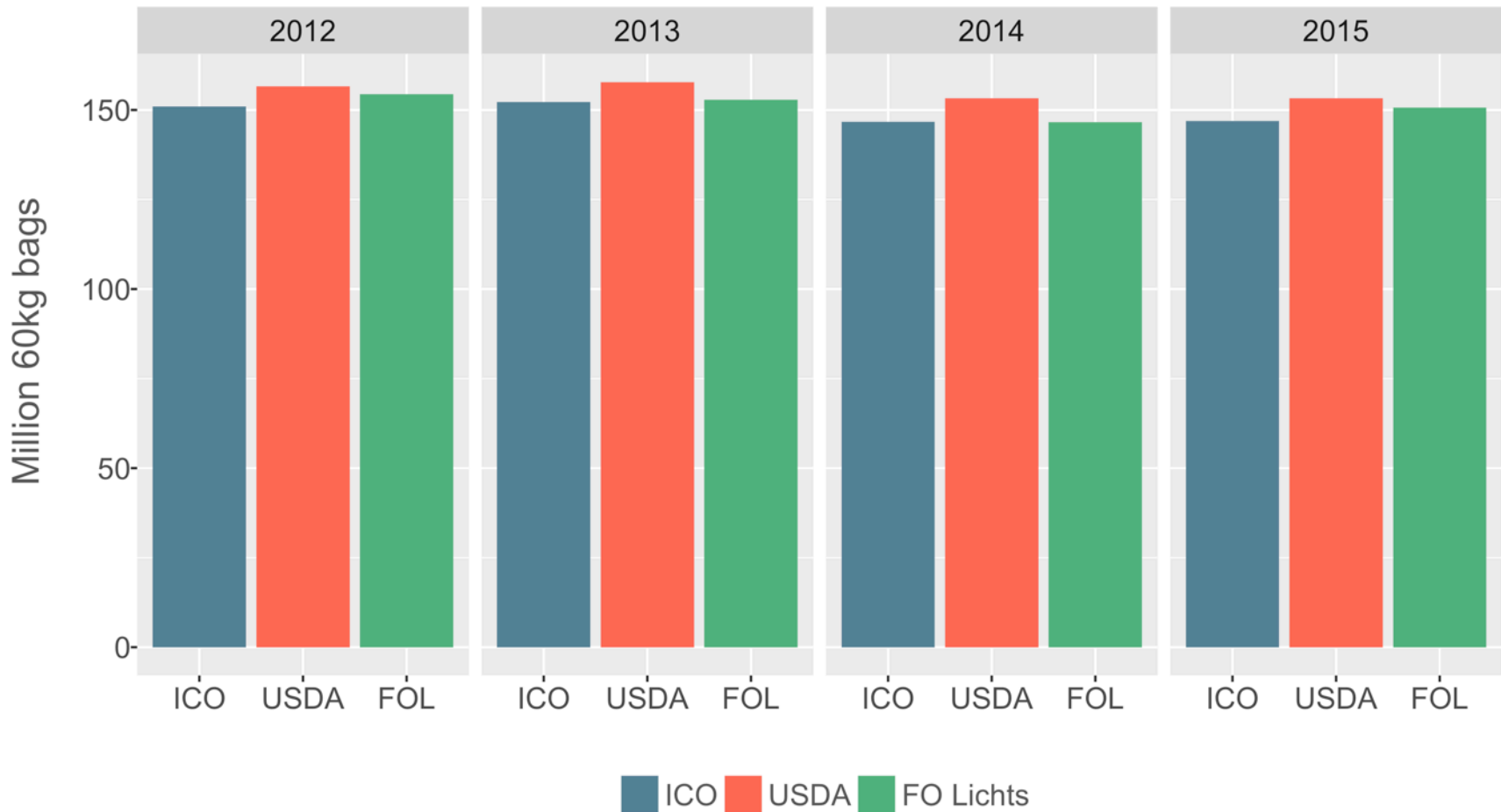


Production Consumption

Balance



Comparison with other sources



A scenic view of a coffee plantation with a large red circular overlay containing the word 'Conclusions'. The background shows a lush green landscape with coffee plants in the foreground and a forested hillside in the distance under a blue sky with a few clouds. The red circle is semi-transparent, allowing the background to be visible through it.

Conclusions

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



Concerns ahead for Robusta in 2016/17





**INTERNATIONAL
COFFEE
ORGANIZATION**

Thank you