



How will the Industry cope with prices at \$4.00/lb?

Speciality Coffee Association of Europe
SCAE World of Coffee
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Executive Director a.i.

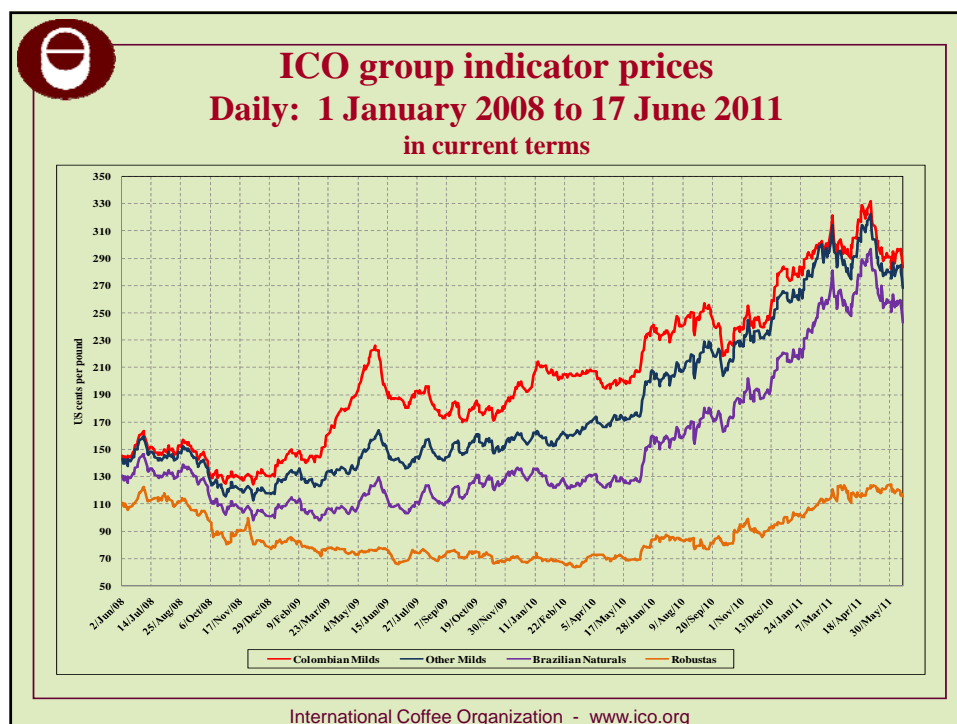
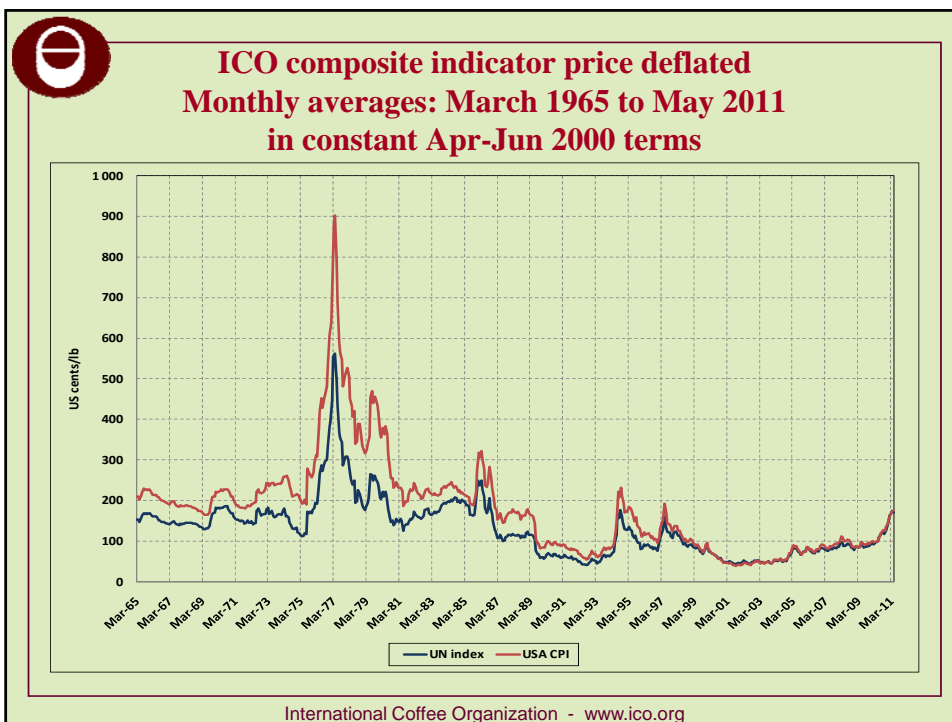
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ICO composite indicator price Monthly averages: March 1965 to May 2011 in current terms



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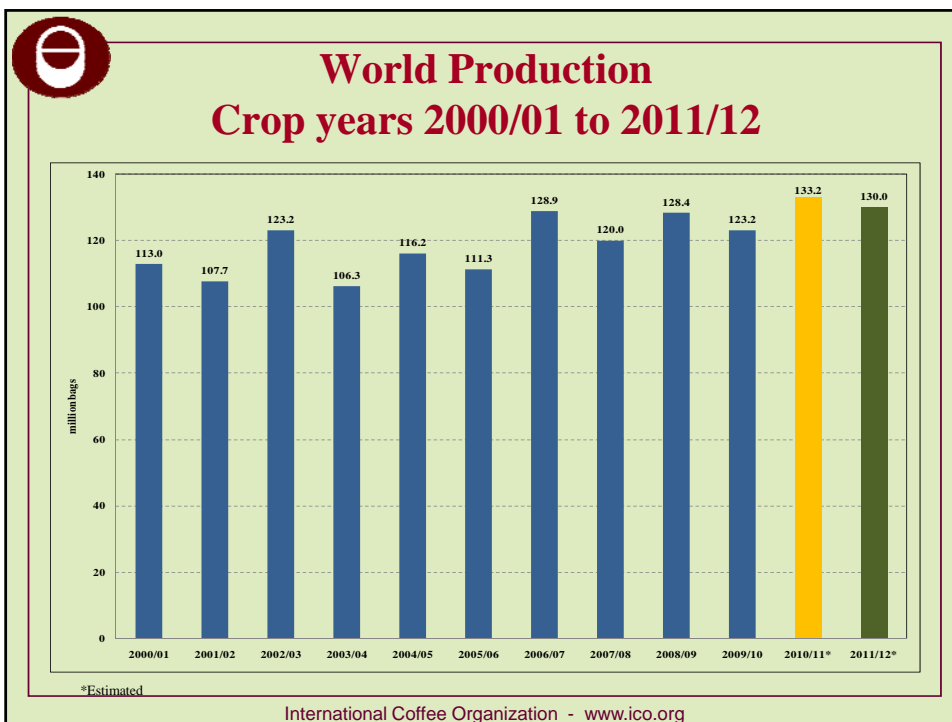


ICO composite and group indicator prices historical comparison
US cents per pound

	May 2011	Last monthly average when price was higher		Highest monthly average ever recorded	
ICO Composite	227.97	243.06	June 1977	314.96	April 1977
Colombian Milds	302.17	318.50	May 1997	320.78	April 1977
Other Milds	291.09	317.68	April 1977	317.68	April 1977
Brazilian Naturals	268.66	280.24	May 1986	369.00	April 1977
Robustas	121.98	130.18	August 1995	312.24	April 1977

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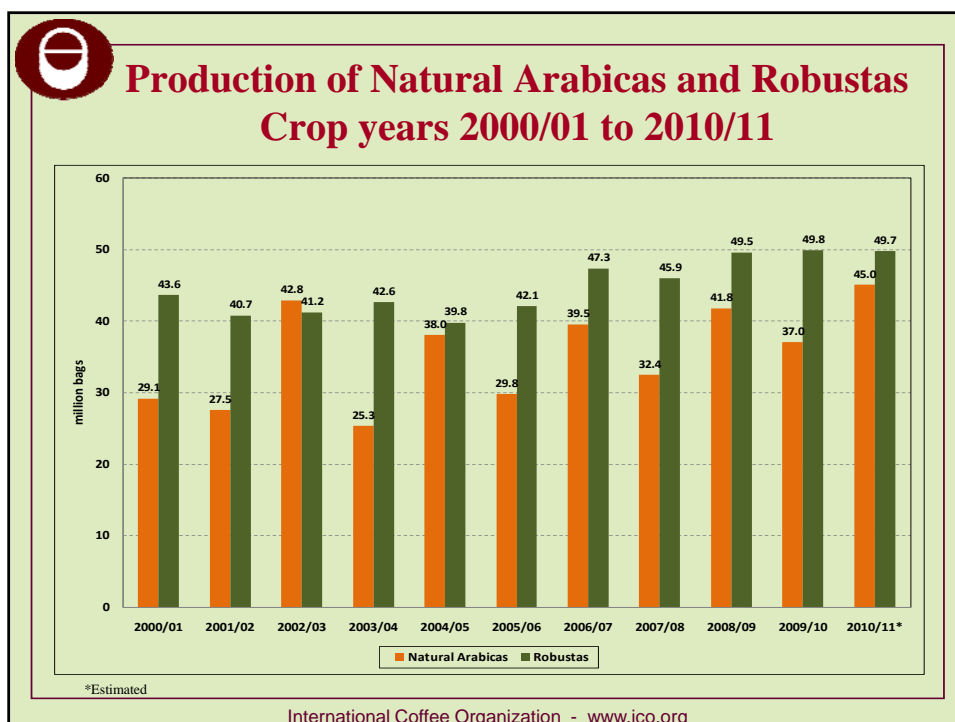
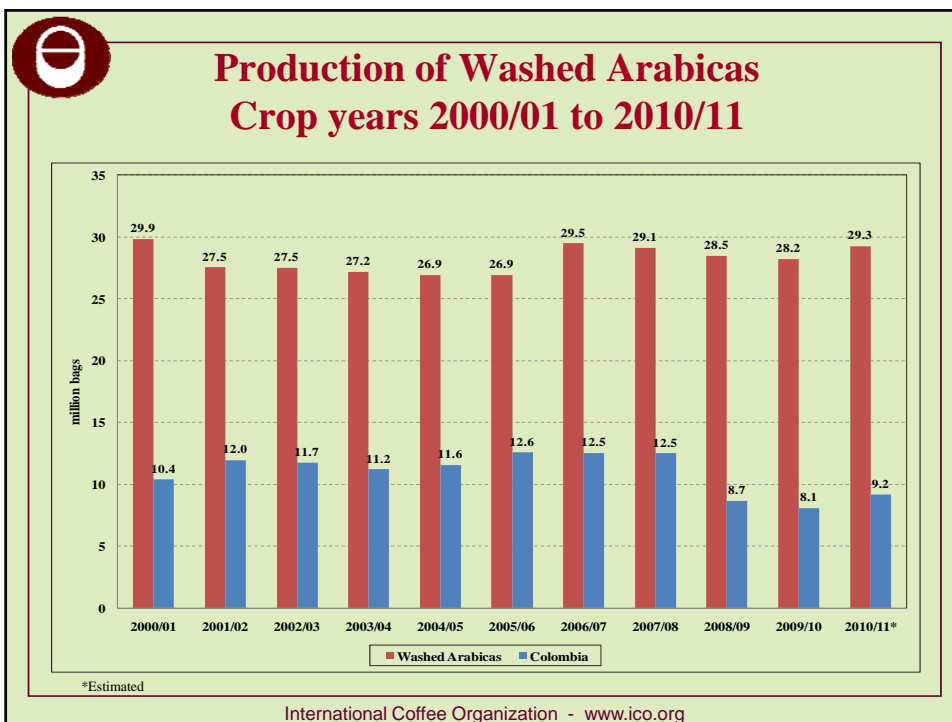




Production: 10 leading producers
Volume in 000 bags - % of world production

	2009/10	2010/11	% change
Brazil	39 470	48 095	21.9%
Vietnam	18 200	18 500	1.6%
Colombia	8 098	9 200	13.6%
Indonesia	11 380	8 856	-22.2%
Ethiopia	6 931	7 450	7.5%
India	4 823	4 983	0.7%
Mexico	4 200	4 000	4.8%
Guatemala	3 835	3 950	3.0%
Honduras	3 575	3 830	7.1%
Uganda	2 797	2 800	0.1%

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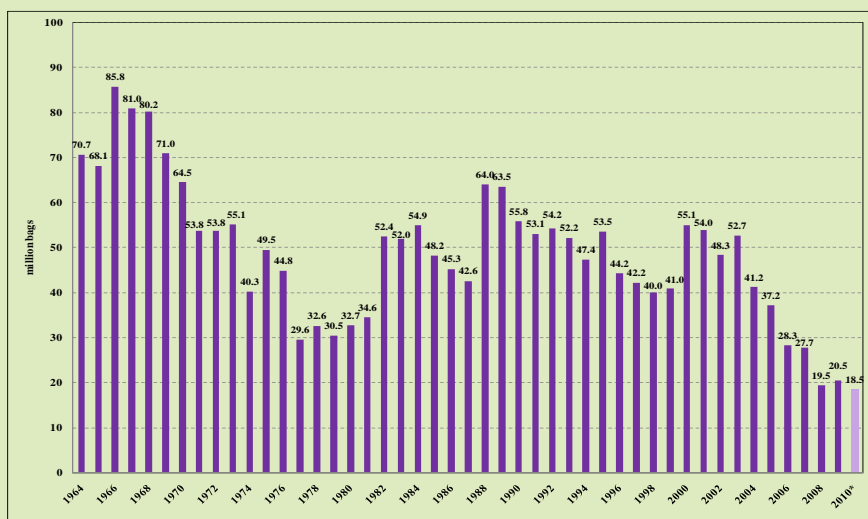
Price spikes:

- ✓ occur only when stocks/use ratios are minimal and market is fragile
- ✓ do not match market shocks due to storage
- ✓ match times of low stocks, not low production

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Opening stocks in exporting countries Crop years 1964 to 2010

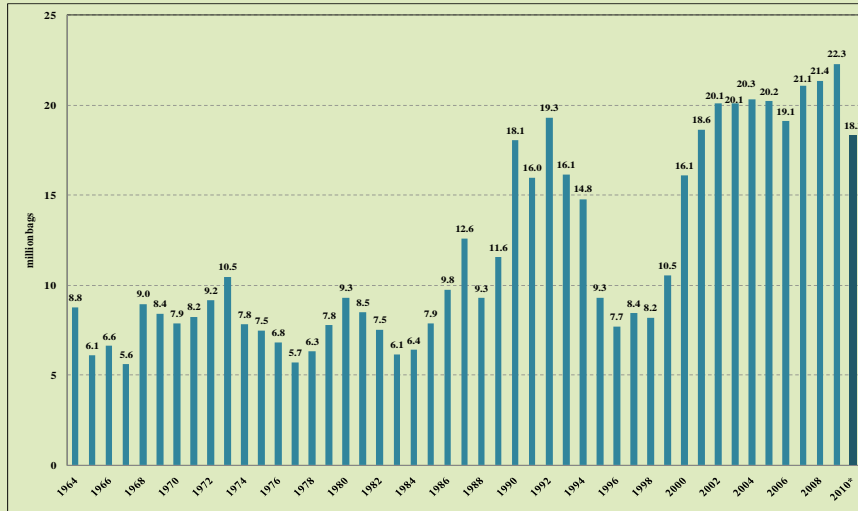


*Estimated

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Inventories in importing countries Calendar years 1964 to 2010

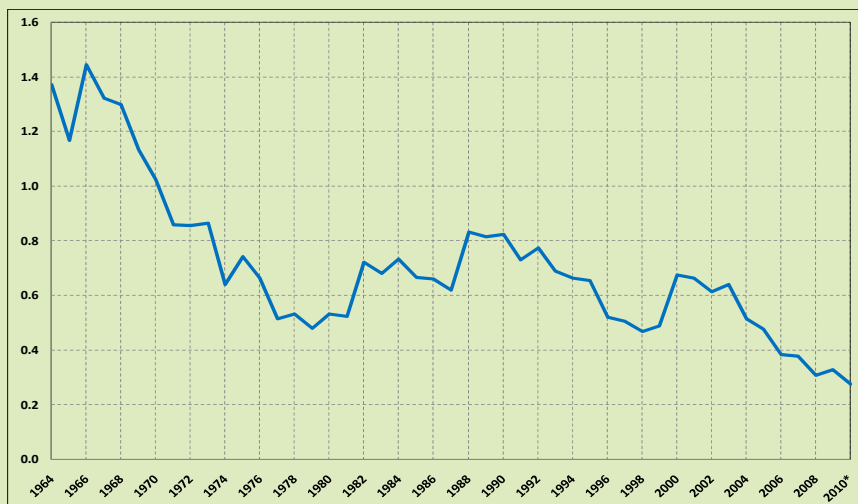


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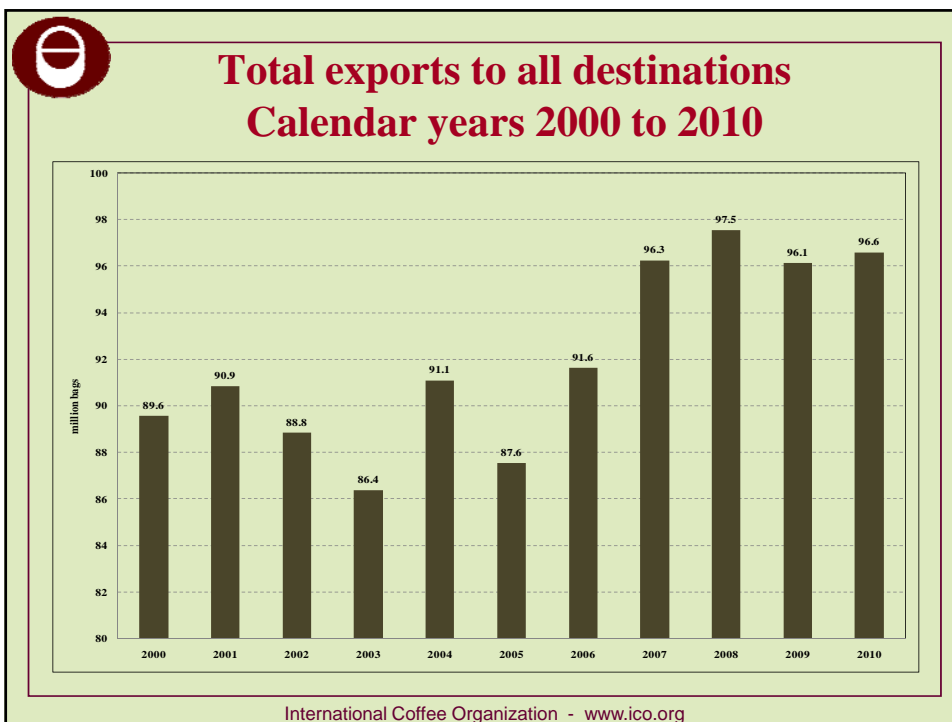
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World stocks/world consumption ratio 1964 to 2010



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**Exports by group and by type of coffee
October to April 000 bags**

	2009/10	2010/11	% change
TOTAL	53 686	62 663	16.7
by group of coffee			
Colombian Milds	4 895	6 290	28.5
Other Milds	11 969	14 448	21.0
Brazilian Naturals	18 104	20 461	13.0
Robustas	18 719	21 423	14.4
by type of coffee			
Arabicas	34 967	41 240	17.9
Robustas	18 719	21 423	14.4

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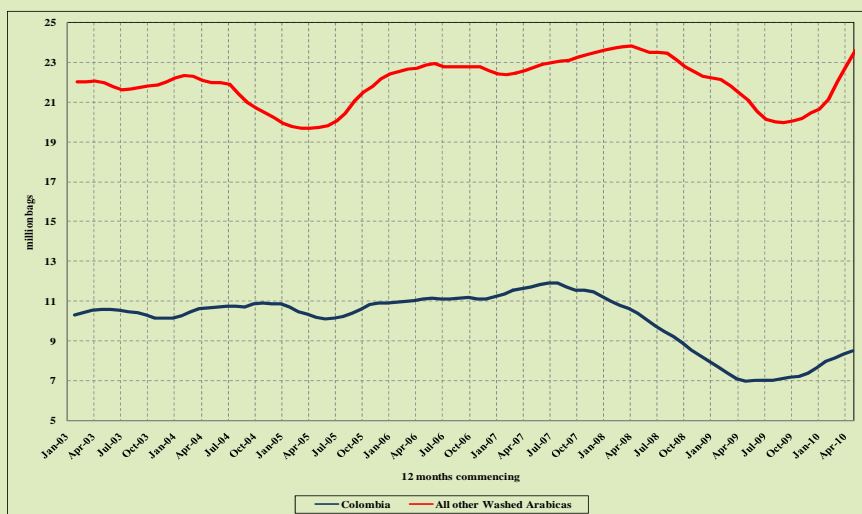
Exports by the top 10 exporting countries October to April 000 bags

	2009/10	2010/11	% change
TOTAL	53 686	62 633	+16.7
Brazil	17 678	21 026	+18.9
Vietnam	9 140	10 975	+20.1
Colombia	4 234	5 567	+31.5
India	2 143	3 564	+66.3
Indonesia	3 873	3 065	-20.9
Honduras	1 998	2 633	+31.8
Guatemala	1 896	1 889	+0.4
Ethiopia	972	1 734	+78.3
Peru	1 354	1 730	+27.8
Uganda	1 603	1 502	-6.3

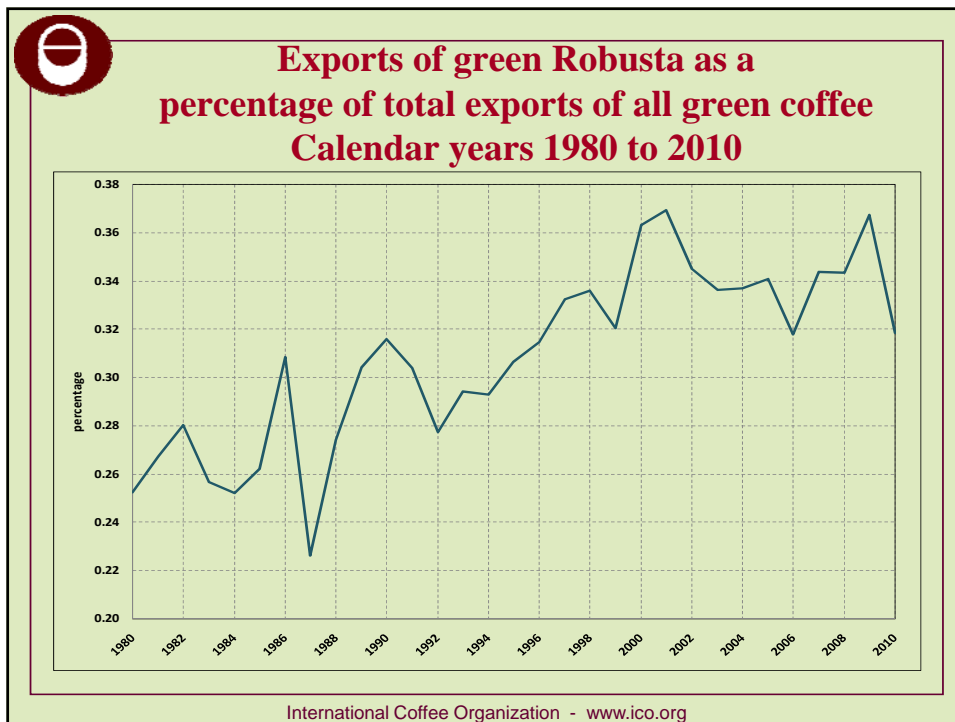
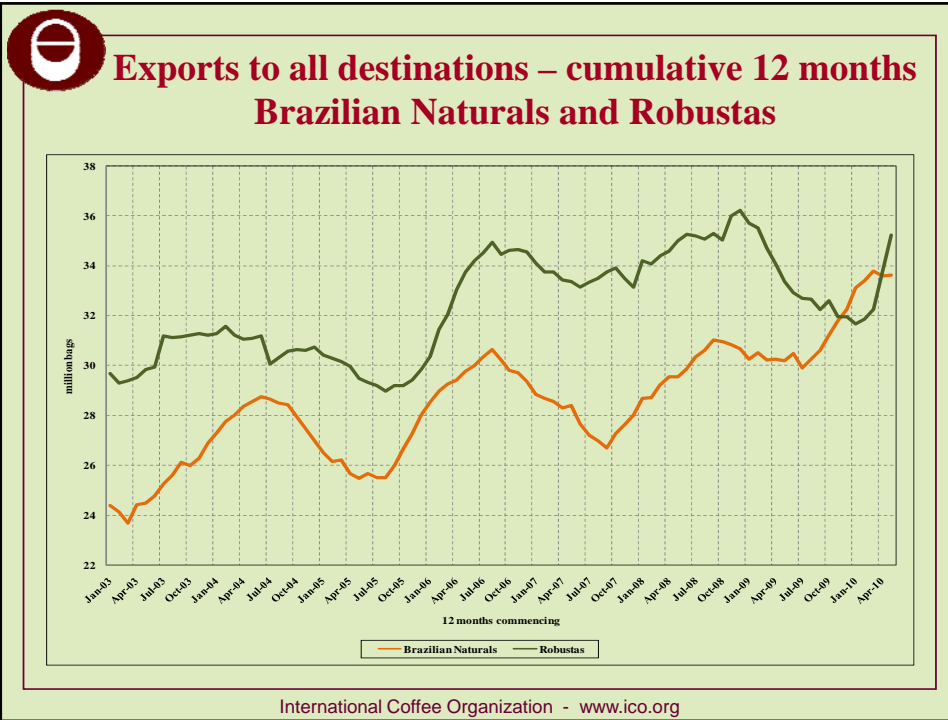
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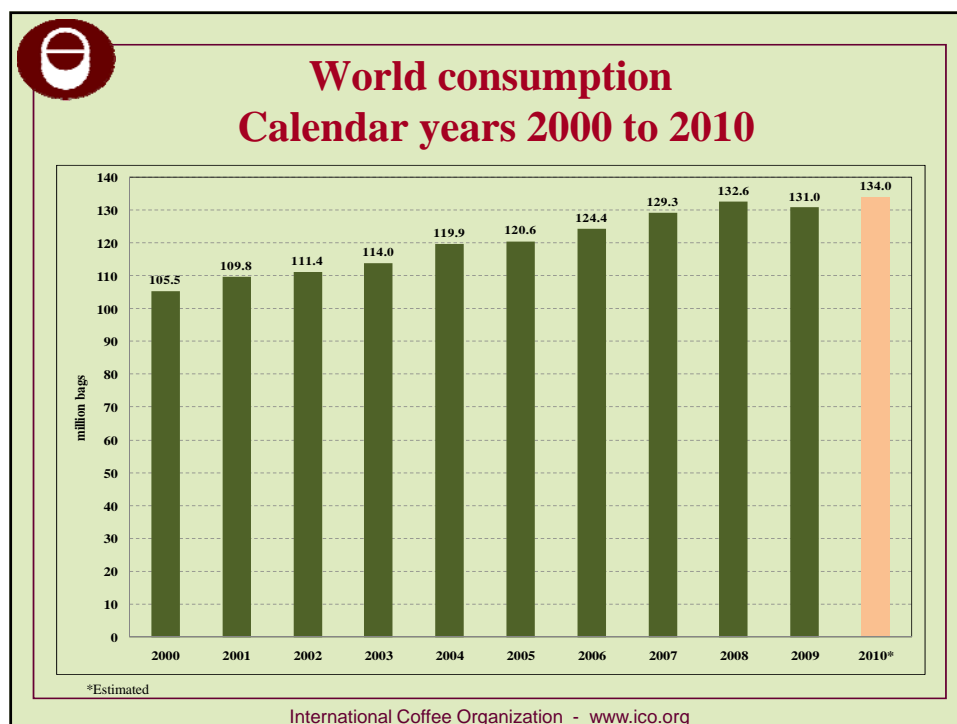
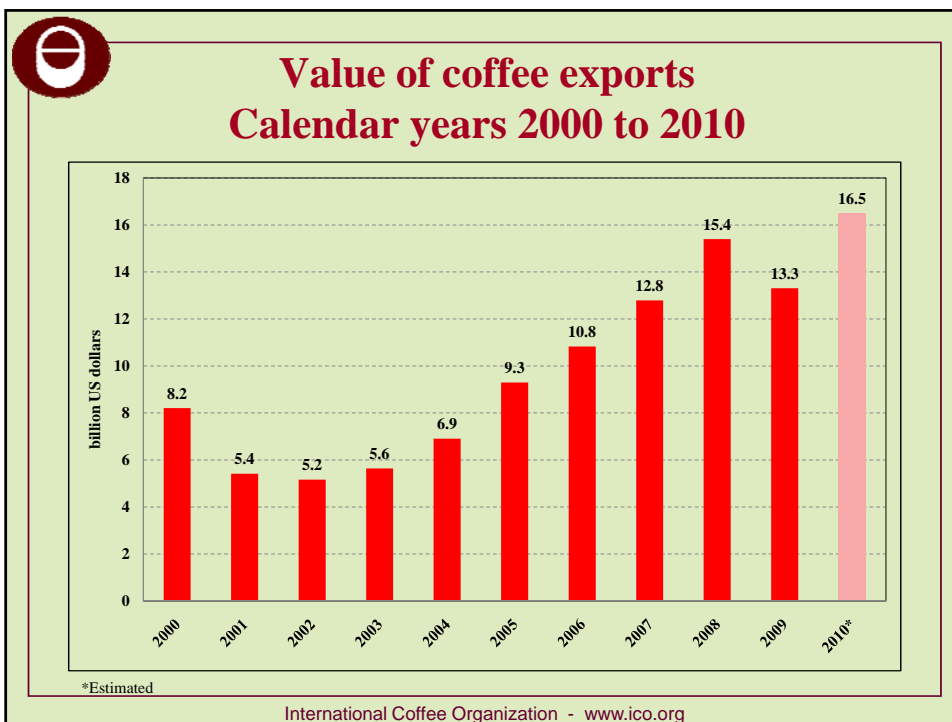


Exports to all destinations – cumulative 12 months Washed Arabicas



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Estimated consumption: 10 leading markets by volume

	2009	2010*	%
	million bags		change
World total	131.0	134.0	+2.3
USA	21.4	21.8	+1.6
Brazil	18.2	18.9	+4.1
Germany	8.9	9.3	+4.4
Japan	7.1	7.2	+0.7
France	5.7	5.9	+4.4
Italy	5.8	5.8	-0.4
Russian Federation	3.1	3.7	+16.9
Canada	3.3	3.6	+8.9
Spain	3.4	3.2	-3.6
United Kingdom	3.2	3.1	-3.0

*Estimated

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World coffee consumption Evolution 2000 – 2010 in thousand bags

	2000	2010*	Growth rate %
Traditional markets	63 367	70 834	+1.1
Producing countries	26 385	40 283	+4.3
Emerging markets	15 750	22 883	+3.8
World total	105 502	134 000	+2.4

*Estimated

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World Coffee Consumption: Traditional markets Evolution 2000 – 2010

in thousand 60-kg bags

	2000	2010*	Growth rate %
<i>European Union</i>	38 024	40 069	0.5
Germany	8 770	9 292	0.6
France	5 402	5 902	0.9
Italy	5 149	5 781	1.2
Spain	2 991	3 231	0.8
United Kingdom	2 342	3 115	2.9
Japan	6 626	7 181	0.8
USA	18 746	21 784	1.5

*Estimated

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Retail prices of roasted coffee December 2009 and 2010 and % change

Country	NC/unit of weight	Dec-09	Dec-10	% change
European Union				
Belgium	EUR/kg	8.25	9.04	+9.6
Denmark	DKK/kg	61.86	71.12	+15.0
Finland	EUR/500g	2.79	3.55	+27.2
France	EUR/250g	1.51	1.52	+0.7
Germany	EUR/kg	7.56	7.79	+3.0
Italy	EUR/kg	12.18	12.26	+0.7
Netherlands	EUR/250g	1.86	1.90	+2.2
Spain	EUR/250g	1.63	1.65	+1.2
Sweden	SEK/500g	30.09	34.67	+15.2
United Kingdom	GBP/½ lb	2.32	2.42	+4.3
Japan	JPY/100g	123.00	110.00	-10.6
Norway	NOK/kg	54.46	59.28	+8.9
USA	USD/lb	3.67	4.15	+13.0

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World coffee consumption: Producing countries Evolution 2000 – 2010

in thousand 60-kg bags

	2000	2010*	Growth rate %
Total	26 385	40 283	+4.3
Brazil	13 075	18 945	+3.8
Indonesia	1 664	3 333	+7.2
Ethiopia	1 938	3 253	+5.3
Mexico	1 189	2 239	+6.5
India	938	1 400	+4.1
Others	7 581	11 113	+3.9

*Estimated

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World coffee consumption: Emerging markets Evolution 2000 – 2010*

in thousand 60-kg bags

	2000	2010*	Growth rate %
Total	15 750	22 883	+3.8
Russian Federation	1 863	3 661	+7.0
Algeria	1 779	1 850	+1.2
Korea, Republic of	1 246	1 666	+3.0
Ukraine	179	1 485	+23.6
Australia	832	1 370	+5.1
South Africa	368	553	+4.2

*Estimated

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