United States Department of Agriculture

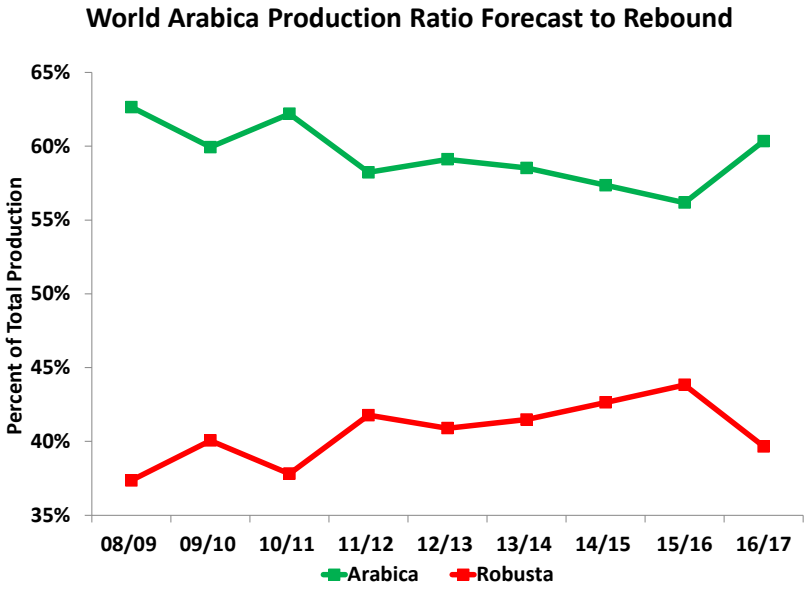
Foreign Agricultural Service

June 2016

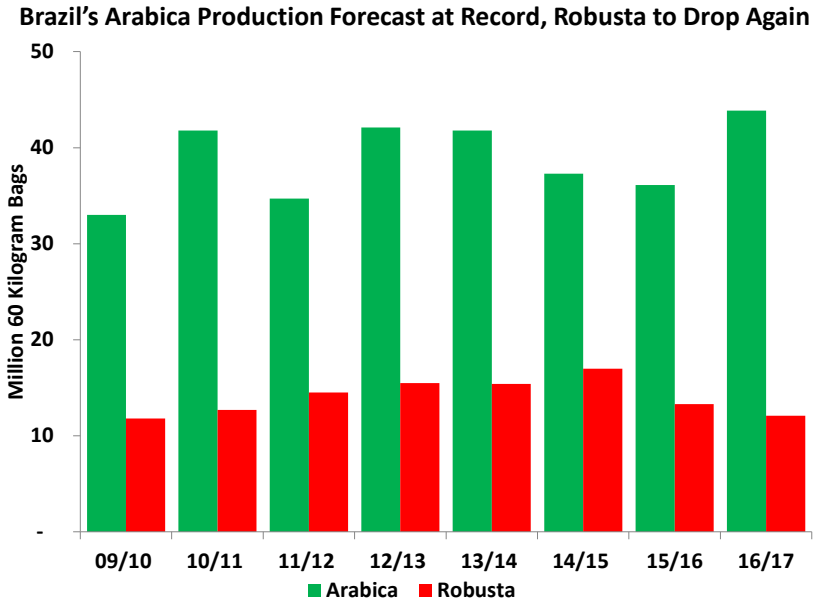
Coffee: World Markets and Trade

2016/17 Forecast Overview

World coffee production for 2016/17 is forecast to rise 2.4 million bags from the previous year to 155.7 million bags (60 kilograms) as record Arabica output in Brazil more than offsets lower Robusta production in Brazil, Vietnam, and Indonesia. As a result, world Arabica output is expected to rebound to 60 percent of total production after being below this level the previous 5 years. Global consumption is forecast at a record 150.8 million bags, drawing ending inventories to a 4-year low. World exports are expected to slip from last year's record primarily due to lower shipments from Indonesia, Vietnam, and Brazil.

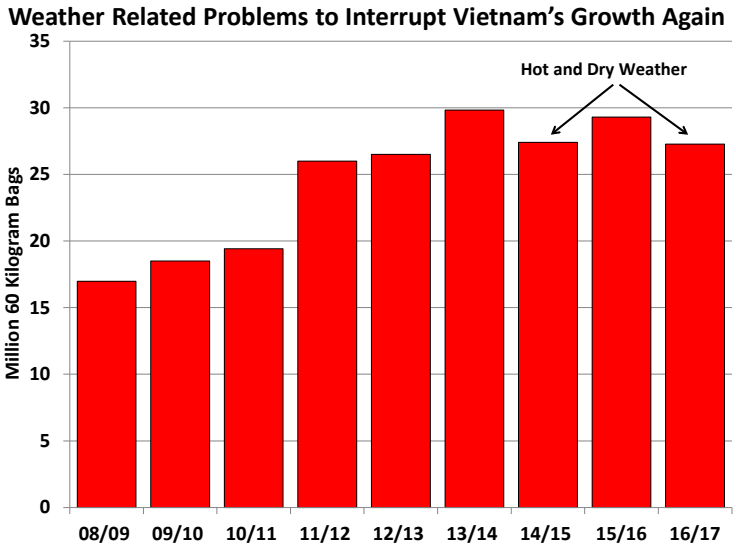


Brazil's Arabica production is forecast to jump 7.8 million bags to a record 43.9 million as yields improve. Good blossoming between September and November 2015 was followed by ideal weather during the fruit-set and fruit development period in Minas Gerais and Sao Paulo, two regions that account for about 80 percent of output. Robusta production is expected to drop 1.2 million bags to a 7-year low of 12.1 million due to above-average temperatures and prolonged dry spells in Espirito Santo, where the vast majority is grown. Water shortages continue to limit irrigation, a common practice in the state. The combined Arabica and Robusta harvest is forecast to expand 6.6 million bags to 56.0 million. However, with slightly reduced total supplies due to lower beginning stocks, bean exports are expected to slip 700,000 bags to 32.0 million and ending stocks are forecast nearly unchanged at 2.5 million bags.



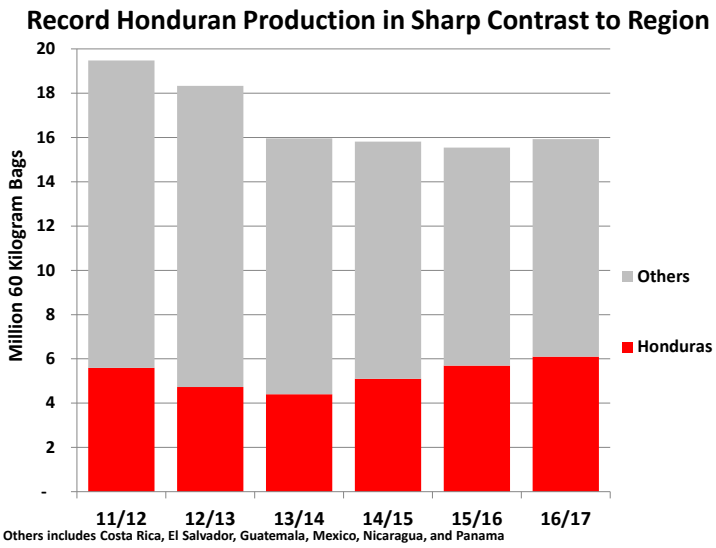
For email subscription, click here to register: http://www.fas.usda.gov/data/coffee-world-markets-and-trade

Vietnam's production is forecast to decline 2.0 million bags to 27.3 million as high temperatures combined with dry growing conditions between January and April 2016 to weaken yields. Cultivated area is forecast nearly equal to last year, and over 95 percent of total output is Robusta. Following 2 years of elevated inventories, ending stocks are expected to fall 2.2 million bags to 3.5 million, and bean exports are forecast 850,000 bags lower to 25.2 million.



Colombia's Arabica production is forecast down 300,000 bags to 13.3 million due to expected heavy rains towards the end of 2016. This will likely affect the *mitaca* crop by disrupting the flowering process as well as creating conditions conducive to the spread of coffee rust for trees not renovated to resistant varieties. The *mitaca* crop typically accounts for about 40 percent of total output and is harvested from the central coffee region between April and June. Also, coffee cherry borer insect infestations in this region are expected to more than double to 10 percent of planted area, reducing yields and quality. Despite this, bean exports, mostly to the United States and Europe, are forecast to gain 100,000 bags to 11.5 million.

Central America and Mexico account for over 15 percent of the world's Arabica production, and coffee rust continues to hamper output for most of these countries. Although the region's production is forecast to add 400,000 bags to total 15.9 million, the rebound is mostly limited to Honduras where rust-resistant trees from recently renovated land are expected to propel output to a record 6.1 million bags. Nicaragua is forecast 100,000 bags higher to 2.1 million as a result of good weather during bloom as well as the addition of output from recently renovated land. Costa Rica, El Salvador, Guatemala, and Mexico are flat at 1.4 million bags, 525,000 bags, 3.4 million bags, and 2.3 million bags, respectively, as these countries continue to struggle with rust and output remains below their pre-rust level. Bean exports for the region are forecast to gain 400,000 bags to 13.3 million mainly due to higher exportable supplies in Honduras. Approximately 40 percent of the region's exports are destined for the United States, followed by 35 percent to the European Union.



Indonesia's production is forecast to drop 1.8 million bags to 10.0 million due to severe drought throughout much of the archipelago. Dry weather disrupted the flowering and ripening stage of cherry formation and was most acutely felt in lowland areas of Southern Sumatra and Java where approximately 75 percent of the Robusta crop is grown. Arabica production, situated in Northern Sumatra, was mostly unaffected by these conditions. Bean exports are forecast to plunge 1.9 million bags to 6.1 million on lower available supplies.

Ethiopia's Arabica production is forecast at 6.5 million bags where it has remained nearly unchanged the last 5 years. Similarly, bean exports are forecast unchanged at 3.5 million bags, with the remainder consumed domestically.

India's production is forecast to ease 100,000 bags to 5.2 million following a similar decline the previous year. Dry conditions during the flowering and fruit-set period weakened yields for both Arabica and Robusta output. Bean exports are forecast down 200,000 bags to 3.6 million.

The **European Union** accounts for over 40 percent of the world's coffee bean imports and is forecast down 500,000 bags to 44.5 million. Top suppliers include Brazil (33 percent), Vietnam (23 percent), Honduras (6 percent), and Colombia (6 percent). With consumption rising 800,000 bags to 43.9 million, ending stocks are expected slightly lower at 11.8 million bags.

The **United States** imports the second-largest amount of coffee beans and is forecast nearly unchanged at 24.6 million bags. Top suppliers include Brazil (30 percent), Colombia (21 percent), and Vietnam (13 percent). Consumption is expected to gain 400,000 bags to 25.2 million, drawing ending stocks down slightly to 5.8 million bags.

Revised 2015/16

World **production** is revised up from the December estimate by 3.2 million bags to 153.3 million.

- China is now included in the database as a producer and is estimated at 2.1 million bags.
- Indonesia is revised 1.1 million bags higher to 11.8 million due to ideal weather during the flowering and cherry ripening period.
- Uganda is raised 700,000 bags to 4.5 million on higher-than-anticipated yields following the previous year's damaging drought.
- Mexico is revised down 900,000 bags to 2.5 million due to coffee rust.

World **bean exports** are raised 6.4 million bags to 112.9 million.

- Brazil is revised up 2.7 million bags to 32.7 million on strong U.S. and European demand.
- Indonesia is raised 2.5 million bags to 8.0 million on greater exportable supplies and strong demand from Malaysia and Thailand's soluble sector.
- China is now included in the database as an exporter and is estimated at 1.1 million bags.
- Vietnam is down 700,000 bags to 26.0 million as suppliers have preferred to build inventories.

World **ending stocks** are lowered 1.3 million bags to 35.4 million.

- Brazil is down 2.9 million bags to 2.3 million due to higher exports.
- Vietnam is up 1.5 million bags to 5.7 million on slower-than-anticipated shipments.

For additional information, please contact Tony Halstead at 202-720-4620,
or *Tony.Halstead@fas.usda.gov*
To download additional data tables, go to Production, Supply and Distribution Database (PSD Online): (http://apps.fas.usda.gov/psdonline/psdHome.aspx), scroll down to Reports, and Click the plus sign [+] next to Coffee
FAS Reports and Databases:
Current *World Market and Trade* Reports:
http://apps.fas.usda.gov/psdonline/psdDataPublications.aspx
Archives *World Market and Trade* Reports:
http://usda.mannlib.cornell.edu/MannUsda/viewTaxonomy.do?taxonomyID=7
Production, Supply and Distribution Database (PSD Online):
http://apps.fas.usda.gov/psdonline/psdHome.aspx
Global Agricultural Information Network (Agricultural Attaché Reports):
http://gain.fas.usda.gov/Pages/Default.aspx
Global Agricultural Trade System (U.S. Exports and Imports):
http://apps.fas.usda.gov/gats/default.aspx
Click on Standard Query and select FAS in the Product Group and scroll down to Coffee and Products.
To view volume data in Green Bean Equivalent (GBE), select quantity and choose FAS Converted.

Marketing Years for Producing Countries

April-March	July-June	October-September
Angola	Brazil	Cameroon
Bolivia	Cuba	Central African Republic
Burundi	Dominican Republic	Colombia
Ecuador	Haiti	Congo (Kinshasa)
Indonesia	Philippines	Costa Rica
Madagascar	Tanzania	Cote d'Ivoire
Papua New Guinea		El Salvador
Peru		Ethiopia
Rwanda		Ghana
		Guatemala
		Guinea
		Honduras
		India
		Jamaica
		Kenya
		Laos
		Liberia
		Malawi
		Malaysia
		Mexico
		Nicaragua
		Nigeria
		Panama
		Sierra Leone
		Thailand
		Togo
		Uganda
		United States
		Venezuela
		Vietnam
		Yemen

Non-producing countries are on an October-September marketing year.

Coffee Summary

Thousand 60-Kilogram Bags

	2011/12	2012/13	2013/14	2014/15	2015/16	Jun 2016/17
Arabica Production						
Brazil	34,700	42,100	41,800	37,300	36,100	43,850
Colombia	7,655	9,927	12,075	13,300	13,600	13,300
Ethiopia	6,320	6,500	6,345	6,475	6,500	6,500
Honduras	5,600	4,725	4,400	5,100	5,700	6,100
Peru	5,200	4,300	4,250	2,900	3,500	3,800
Guatemala	4,400	4,000	3,500	3,125	3,275	3,300
China	1,090	1,535	1,947	2,000	2,100	2,300
Mexico	4,100	4,450	3,750	2,980	2,300	2,100
Nicaragua	2,100	1,925	2,000	2,100	2,000	2,100
India	1,690	1,643	1,703	1,630	1,490	1,420
Costa Rica	1,775	1,675	1,450	1,400	1,400	1,400
Indonesia	1,300	1,700	1,650	1,270	1,350	1,300
Vietnam	800	900	1,175	1,050	1,100	1,050
Kenya	750	660	850	750	650	700
Papua New Guinea	1,350	775	815	760	700	700
Other	5,667	5,757	4,630	4,498	4,518	4,146
Total	84,497	92,572	92,340	86,638	86,283	94,066
Robusta Production						
Vietnam	25,200	25,600	28,658	26,350	28,200	26,225
Brazil	14,500	15,500	15,400	17,000	13,300	12,100
Indonesia	7,000	8,800	7,850	9,200	10,400	8,700
India	3,540	3,660	3,372	3,810	3,810	3,750
Uganda	2,200	2,800	3,000	2,800	3,600	3,000
Cote d'Ivoire	1,600	1,750	1,675	1,400	1,650	1,700
Malaysia	1,450	1,400	1,500	1,500	1,500	1,500
Thailand	1,000	1,000	1,000	1,000	1,000	1,000
Cameroon	645	485	375	525	575	575
Laos	450	460	475	485	525	550
Other	3,040	2,591	2,133	2,547	2,449	2,531
Total	60,625	64,046	65,438	66,617	67,009	61,631
Production						
Brazil	49,200	57,600	57,200	54,300	49,400	55,950
Vietnam	26,000	26,500	29,833	27,400	29,300	27,275
Colombia	7,655	9,927	12,075	13,300	13,600	13,300
Indonesia	8,300	10,500	9,500	10,470	11,750	10,000
Ethiopia	6,320	6,500	6,345	6,475	6,500	6,500
Honduras	5,600	4,725	4,400	5,100	5,700	6,100
India	5,230	5,303	5,075	5,440	5,300	5,170
Peru	5,200	4,300	4,250	2,900	3,500	3,800
Uganda	3,075	3,600	3,850	3,550	4,500	3,700
Guatemala	4,410	4,010	3,515	3,185	3,350	3,375
China	1,090	1,535	1,947	2,000	2,100	2,300
Mexico	4,300	4,650	3,950	3,180	2,500	2,300
Nicaragua	2,100	1,925	2,000	2,125	2,025	2,125
Cote d'Ivoire	1,600	1,750	1,675	1,400	1,650	1,700
Malaysia	1,450	1,400	1,500	1,500	1,500	1,500
Costa Rica	1,775	1,675	1,450	1,400	1,400	1,400
Tanzania	565	1,180	800	1,150	1,250	1,050
Thailand	1,000	1,000	1,000	1,000	1,000	1,000
Papua New Guinea	1,400	825	855	810	750	750
Kenya	750	660	850	750	650	700
Cameroon	735	535	425	575	625	625
Laos	450	460	475	485	525	550
El Salvador	1,200	1,250	550	700	475	525
Philippines	455	455	450	475	475	475
Madagascar	550	525	550	500	255	425
Other	4,712	3,828	3,258	3,085	3,212	3,102
Total	145,122	156,618	157,778	153,255	153,292	155,697

Coffee marketing year for producer countries begins either in October (Colombia), April (Indonesia) or July (Brazil), as examples.
Coffee marketing year for non-producer countries begins in October. To access a complete dataset for each country, please visit:
http://apps.fas.usda.gov/psdonline/psdQuery.aspx

Coffee Summary, Continued

Thousand 60-Kilogram Bags

	2011/12	2012/13	2013/14	2014/15	2015/16	Jun 2016/17
Bean Exports						
Brazil	26,556	27,143	30,600	33,051	32,720	32,000
Vietnam	23,950	23,783	27,269	19,791	26,000	25,150
Colombia	6,675	8,100	10,300	11,615	11,400	11,500
Indonesia	4,950	6,900	6,000	6,770	8,000	6,100
Honduras	5,290	4,480	3,940	4,760	5,200	5,700
Uganda	3,000	3,575	3,600	3,400	4,000	4,000
India	3,735	3,420	3,330	3,390	3,800	3,600
Peru	5,140	4,100	4,100	2,750	3,275	3,600
Ethiopia	3,140	3,500	3,285	3,500	3,520	3,525
Guatemala	3,800	3,750	3,150	3,050	3,000	3,000
Other	15,237	14,852	12,018	11,732	11,950	11,720
Total	101,473	103,603	107,592	103,809	112,865	109,895
Roast and Ground Exports						
European Union	960	1,070	1,185	1,220	1,200	1,000
Switzerland	680	810	890	975	950	950
Vietnam	95	110	120	457	550	550
China	38	63	87	70	275	250
United States	405	365	580	390	250	200
Mexico	50	126	105	175	125	125
Colombia	75	85	80	90	90	90
Panama	15	15	31	47	45	45
Indonesia	25	35	40	50	40	40
Brazil	51	31	30	28	30	30
Other	29	29	80	46	30	40
Total	2,423	2,739	3,228	3,548	3,585	3,320
Soluble Exports						
Brazil	3,236	3,486	3,516	3,494	3,250	3,200
Malaysia	1,950	2,150	2,110	2,780	2,800	3,000
Indonesia	2,500	2,000	1,800	1,900	1,920	1,800
India	1,484	1,435	1,667	1,496	1,500	1,500
Thailand	1,235	1,700	2,100	1,975	1,500	1,500
Vietnam	450	750	900	1,282	1,500	1,500
Colombia	610	670	660	715	750	800
China	204	239	315	471	650	700
Mexico	790	915	940	835	600	600
Ecuador	975	1,075	810	760	740	500
Other	720	765	898	680	835	740
Total	14,154	15,185	15,716	16,388	16,045	15,840
Exports						
Brazil	29,843	30,660	34,146	36,573	36,000	35,230
Vietnam	24,495	24,643	28,289	21,530	28,050	27,200
Colombia	7,360	8,855	11,040	12,420	12,240	12,390
Indonesia	7,475	8,935	7,840	8,720	9,960	7,940
Honduras	5,290	4,480	3,940	4,760	5,200	5,700
India	5,223	4,858	5,013	4,897	5,305	5,105
Uganda	3,000	3,575	3,600	3,400	4,000	4,000
Peru	5,140	4,100	4,100	2,750	3,275	3,600
Ethiopia	3,140	3,500	3,285	3,500	3,520	3,525
Guatemala	3,840	3,770	3,175	3,070	3,010	3,010
Other	23,244	24,151	22,108	22,125	21,935	21,355
Total	118,050	121,527	126,536	123,745	132,495	129,055

Coffee marketing year for producer countries begins either in October (Colombia), April (Indonesia) or July (Brazil), as examples. Coffee marketing year for non-producer countries begins in October. Roasted coffee was converted to green bean equivalent by multiplying the net weight of roasted coffee by 1.19. Soluble coffee was converted to green bean equivalent by multiplying the net weight of soluble coffee by 2.6. For each non-producing country, the trade balance between imports and exports is used in order to avoid double-counting for these figures.

Coffee Summary, Continued

Thousand 60-Kilogram Bags

	2011/12	2012/13	2013/14	2014/15	2015/16	Jun 2016/17
Bean Imports						
European Union	43,950	45,070	44,650	45,110	45,000	44,500
United States	23,700	23,360	24,550	23,525	24,500	24,550
Japan	5,965	7,520	6,890	7,150	7,420	7,375
Canada	2,225	2,330	2,525	2,450	2,600	2,600
Switzerland	2,140	2,310	2,300	2,420	2,450	2,500
Russia	1,720	2,050	2,280	2,240	2,400	2,300
Korea, South	1,675	1,715	2,035	2,150	2,200	2,275
Algeria	2,240	1,915	2,265	2,165	2,200	2,250
Malaysia	1,125	1,375	1,270	1,880	1,900	2,100
Mexico	1,125	850	1,360	1,440	1,550	1,600
Other	12,478	13,412	12,580	12,567	12,655	12,235
Total	98,343	101,907	102,705	103,097	104,875	104,285
Roast and Ground Imports						
Canada	780	675	730	765	500	600
China	74	79	93	141	300	300
Russia	165	180	215	260	250	275
Ukraine	310	340	340	275	275	250
Australia	155	170	180	190	175	200
Korea, South	110	110	125	155	170	175
Japan	125	135	140	110	115	125
Norway	105	110	110	120	120	120
Mexico	25	55	64	70	75	75
Taiwan	45	55	50	70	85	75
Other	224	277	342	378	211	229
Total	2,118	2,186	2,389	2,534	2,276	2,424
Soluble Imports						
Philippines	2,770	3,400	3,025	3,660	4,500	4,000
Russia	1,980	1,900	1,735	1,550	1,800	1,800
China	396	615	791	984	1,500	1,500
Canada	1,165	1,225	1,350	1,280	1,100	1,200
Japan	590	750	840	815	800	825
Indonesia	470	630	555	720	650	700
United States	125	340	365	485	450	450
Ukraine	1,000	785	690	570	400	400
Argentina	240	260	260	250	270	250
Australia	310	310	250	275	260	250
Other	2,119	2,100	2,288	1,992	2,166	2,181
Total	11,165	12,315	12,149	12,581	13,896	13,556
Imports						
European Union	43,950	45,070	44,650	45,110	45,000	44,500
United States	23,825	23,700	24,915	24,010	24,950	25,000
Japan	6,680	8,405	7,870	8,075	8,335	8,325
Canada	4,170	4,230	4,605	4,495	4,200	4,400
Russia	3,865	4,130	4,230	4,050	4,450	4,375
Philippines	3,280	3,880	3,185	3,845	5,000	4,300
China	1,093	1,624	1,794	2,015	2,725	2,750
Switzerland	2,140	2,310	2,300	2,420	2,450	2,500
Korea, South	1,785	1,825	2,160	2,305	2,370	2,450
Algeria	2,270	1,945	2,300	2,195	2,230	2,280
Other	18,568	19,289	19,234	19,692	19,337	19,385
Total	111,626	116,408	117,243	118,212	121,047	120,265

Coffee marketing year for producer countries begins either in October (Colombia), April (Indonesia) or July (Brazil), as examples. Coffee marketing year for non-producer countries begins in October. Roasted coffee was converted to green bean equivalent by multiplying the net weight of roasted coffee by 1.19. Soluble coffee was converted to green bean equivalent by multiplying the net weight of soluble coffee by 2.6. For each non-producing country, the trade balance between imports and exports is used in order to avoid double-counting for these figures.

Coffee Summary, Continued

Thousand 60-Kilogram Bags

	2011/12	2012/13	2013/14	2014/15	2015/16	Jun 2016/17
Domestic Consumption						
European Union	45,250	43,275	41,475	43,820	43,100	43,900
United States	22,946	23,027	23,811	23,573	24,767	25,150
Brazil	20,025	20,110	20,210	20,420	20,500	20,520
Japan	7,050	7,565	7,750	7,825	8,285	8,325
Philippines	3,660	4,405	3,630	4,320	5,475	4,775
Canada	4,170	4,230	4,605	4,495	4,200	4,400
Russia	3,865	4,130	4,230	4,050	4,450	4,375
Indonesia	2,355	2,635	2,750	3,040	2,750	3,110
China	1,045	1,621	2,195	2,463	2,850	3,000
Ethiopia	3,050	3,130	3,120	2,985	2,972	2,975
Vietnam	1,665	1,825	2,008	2,217	2,600	2,868
Korea, South	1,785	1,825	2,160	2,305	2,370	2,450
Mexico	2,287	2,170	2,731	2,364	2,315	2,350
Algeria	2,270	1,945	2,300	2,195	2,230	2,280
Australia	1,600	1,660	1,615	1,775	1,810	1,800
Switzerland	1,460	1,500	1,410	1,445	1,500	1,550
Colombia	1,260	1,200	1,300	1,400	1,425	1,475
India	1,168	1,100	1,170	1,270	1,350	1,400
Venezuela	1,305	1,290	1,170	1,151	1,151	1,031
Ukraine	1,425	1,255	1,155	1,025	875	825
Argentina	750	835	685	710	810	785
Norway	760	740	775	775	785	775
Turkey	375	490	505	670	740	750
Serbia	755	740	790	605	575	650
Morocco	715	705	620	635	640	640
Other	8,669	8,544	8,626	8,454	8,565	8,647
Total	141,665	141,952	142,796	145,987	149,090	150,806
Ending Stocks						
European Union	10,400	10,845	12,400	12,225	12,500	11,800
United States	5,100	5,450	6,025	6,117	6,100	5,800
Vietnam	1,090	1,946	2,130	6,373	5,653	3,500
Japan	2,140	2,980	3,100	3,350	3,400	3,400
Brazil	2,238	9,068	11,946	9,305	2,265	2,530
India	1,473	1,982	2,026	2,501	2,289	1,997
Honduras	90	140	300	340	500	560
Colombia	249	771	961	666	826	486
Tanzania	45	255	202	322	302	272
Nicaragua	252	17	22	102	97	182
Other	2,596	1,766	1,797	1,343	1,466	972
Total	25,673	35,220	40,909	42,644	35,398	31,499

Coffee marketing year for producer countries begins either in October (Colombia), April (Indonesia) or July (Brazil), as examples.
Coffee marketing year for non-producer countries begins in October.