



# Coffee: World Markets and Trade

## 2017/18 Forecast Overview

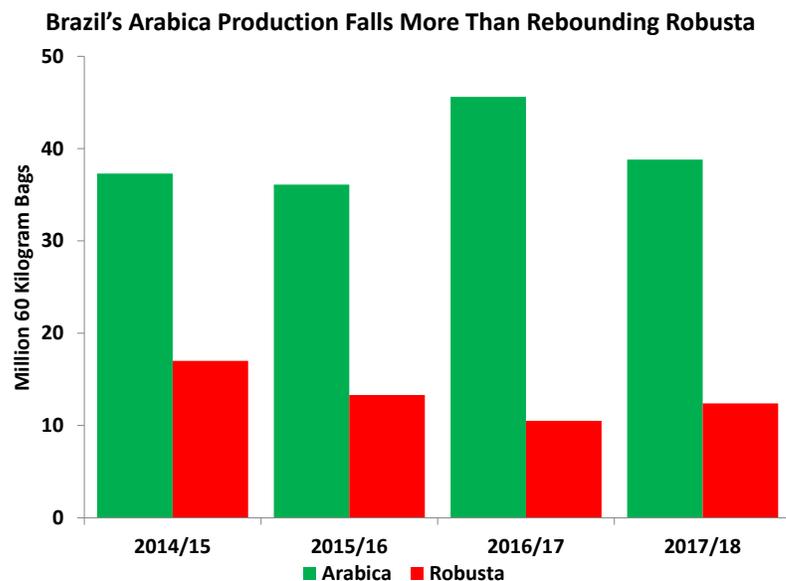
**World** coffee production for 2017/18 is forecast 600,000 bags lower than the previous year to 159.9 million bags (60 kilograms) as lower output in Brazil more than offsets record production in Vietnam. With global consumption forecast at a record 158.5 million bags, ending inventories are expected to drop sharply to a 5-year low of 29.3 million bags. World exports are expected to slip primarily due to lower shipments from Brazil.

**Brazil's** Arabica output is forecast to drop 6.8 million bags to 38.8 million. Production is expected to drop compared to the previous season since a majority of trees are in the off-year of the biennial production cycle. Also, coffee beans are smaller-than-anticipated in many areas of Minas Gerais and Sao Paulo. Robusta production, however, is expected to rebound by 1.9 million bags to 12.4 million. Last year's output plummeted to a 7-year low due to above-average temperatures and a prolonged dry spell in Espirito Santo, where a majority is grown. The combined Arabica and Robusta harvest is forecast down 4.9 million bags to 51.2 million. With

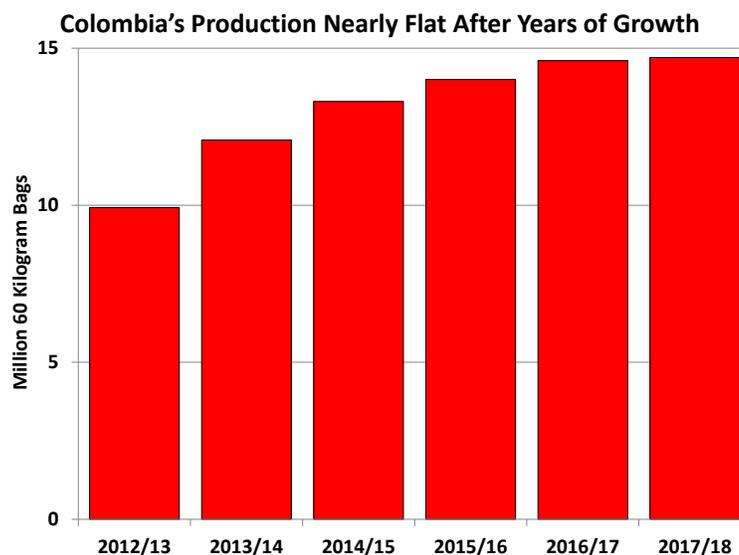
consumption expected to continue rising to a record 22.2 million bags, ending stocks are forecast to drop by one-third to just 2.6 million bags. Exports are forecast to continue sliding to a 5-year low.

**Vietnam's** production is forecast to rebound by 3.2 million bags to a record 29.9 million as ideal weather led to good flowering and fruit-set. Also, farmers benefited from the previous year's higher prices, allowing them to increase expenditures for fertilizers and other inputs to raise yields. Cultivated area is forecast nearly equal to last year, with over 95 percent of total output remaining as Robusta. As a result of higher available supplies, exports and domestic consumption are expected to rise.

**Central America** and **Mexico** are forecast to add 600,000 bags of production to reach 19.4 million, though some countries in the region continue to struggle with the coffee rust outbreak that first lowered output 5 years ago. Production has recovered in Costa Rica, Honduras, and Nicaragua during this period but remains depressed in El Salvador, Guatemala, and Mexico due to the effects of coffee rust. Bean exports for the region are forecast nearly flat at 16.2 million bags. Approximately 40 percent of the region's exports are destined for the United States, followed by 35 percent to the European Union.



**Colombia's** production is forecast nearly flat at 14.7 million bags although output remains strong on favorable growing conditions. In the last decade, yields have increased nearly 30 percent due largely to higher plant density as well as a renovation program using rust-resistant varieties, which has reduced the average age of coffee trees from 15 to 7 years. Bean exports, mostly to the United States and European Union, are forecast nearly unchanged at 12.6 million bags.



**Indonesia's** production is forecast to gain a modest 300,000 bags to 10.9 million.

Robusta output is seen rising in the lowland areas of Southern Sumatra and Java, where approximately 75 percent of this crop is grown, more than offsetting declines in the highland areas where excessive rainfall lowered yields during the flowering period. Arabica production is expected to be flat as the dominant growing region of Northern Sumatra experienced normal weather during flowering and cherry formation. Bean exports are forecast little changed at 7.5 million bags on stable supplies.

**European Union** imports are forecast down 200,000 bags to 46.0 million and account for over 40 percent of the world's coffee bean imports. Top suppliers include Brazil (33 percent), Vietnam (25 percent), Honduras (7 percent), and Colombia (7 percent). Ending stocks are expected to continue sliding to 10.5 million bags, the lowest level in 5 years.

**United States** imports the second-largest amount of coffee beans and is forecast down 800,000 bags to 25.0 million. Top suppliers include Brazil (27 percent), Colombia (20 percent), and Vietnam (16 percent). Ending stocks are forecast to drop 600,000 bags to 6.6 million bags.

## Revised 2016/17

World **production** is revised up from the June estimate by 1.4 million bags to 160.5 million.

- Honduras is up 1.1 million bags to 7.4 million on higher yields.
- Guatemala is 400,000 bags higher to 3.6 million on improved yields as trees continue to recover from coffee rust.

World **bean exports** are raised 1.8 million bags to 112.4 million.

- Honduras is up 1.1 million bags to 7.2 million on higher available supplies.
- Guatemala is 400,000 bags higher to 3.3 million on higher available supplies.

World **ending stocks** are lowered 3.1 million bags to 32.0 million.

- Brazil is down 1.5 million bags to 3.9 million on stronger-than-anticipated consumption.
- European Union is reduced 1.2 million bags to 11.3 million on lower imports and higher consumption.

The next publication of this circular will be on June 15, 2018.

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**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

Angola  
Bolivia  
Burundi  
Ecuador  
Indonesia  
Madagascar  
Papua New Guinea  
Peru  
Rwanda

### July-June

Brazil  
Cuba  
Dominican Republic  
Haiti  
Philippines  
Tanzania

### October-September

Cameroon  
Central African Republic  
Colombia  
Congo (Kinshasa)  
Costa Rica  
Cote d'Ivoire  
El Salvador  
Ethiopia  
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**

	2013/14	2014/15	2015/16	2016/17	Jun 2017/18	Dec 2017/18
<b>Arabica Production</b>						
Brazil	41,800	37,300	36,100	45,600	40,500	38,800
Colombia	12,075	13,300	14,000	14,600	14,600	14,700
Honduras	4,400	5,100	5,300	7,400	6,500	7,500
Ethiopia	6,345	6,475	6,510	6,520	6,545	6,545
Peru	4,250	2,900	3,500	4,225	4,500	3,800
Mexico	3,750	2,980	2,125	3,100	3,600	3,600
Guatemala	3,500	3,125	3,125	3,400	2,900	3,200
Nicaragua	2,000	2,100	2,100	2,600	2,500	2,500
China	1,947	1,975	2,100	2,100	2,200	2,100
Costa Rica	1,450	1,400	1,625	1,300	1,550	1,550
India	1,703	1,630	1,725	1,583	1,480	1,440
Indonesia	1,900	1,270	1,500	1,300	1,300	1,300
Vietnam	1,175	1,050	1,100	1,100	1,100	1,300
Papua New Guinea	815	760	700	1,065	900	900
Kenya	850	750	750	830	750	800
Other	4,505	4,343	4,286	4,102	4,310	3,961
<b>Total</b>	<b>92,465</b>	<b>86,458</b>	<b>86,546</b>	<b>100,825</b>	<b>95,235</b>	<b>93,996</b>
<b>Robusta Production</b>						
Vietnam	28,658	26,350	27,830	25,600	27,500	28,600
Brazil	15,400	17,000	13,300	10,500	11,600	12,400
Indonesia	10,000	9,200	10,600	9,300	9,600	9,600
India	3,372	3,810	4,075	3,617	3,970	4,160
Uganda	3,000	2,800	2,900	3,500	3,600	3,600
Malaysia	1,500	2,100	2,200	2,100	2,100	2,100
Cote d'Ivoire	1,675	1,400	1,600	1,180	1,500	1,400
Thailand	1,000	1,000	700	800	700	700
Tanzania	350	550	500	500	550	550
Cameroon	375	525	575	415	550	470
Other	2,259	2,473	2,319	2,194	2,407	2,312
<b>Total</b>	<b>67,589</b>	<b>67,208</b>	<b>66,599</b>	<b>59,706</b>	<b>64,077</b>	<b>65,892</b>
<b>Production</b>						
Brazil	57,200	54,300	49,400	56,100	52,100	51,200
Vietnam	29,833	27,400	28,930	26,700	28,600	29,900
Colombia	12,075	13,300	14,000	14,600	14,600	14,700
Indonesia	11,900	10,470	12,100	10,600	10,900	10,900
Honduras	4,400	5,100	5,300	7,400	6,500	7,500
Ethiopia	6,345	6,475	6,510	6,520	6,545	6,545
India	5,075	5,440	5,800	5,200	5,450	5,600
Uganda	3,850	3,550	3,650	4,200	4,350	4,350
Mexico	3,950	3,180	2,300	3,300	3,800	3,800
Peru	4,250	2,900	3,500	4,225	4,500	3,800
Guatemala	3,515	3,185	3,295	3,570	3,100	3,400
Nicaragua	2,000	2,125	2,125	2,625	2,525	2,525
China	1,947	1,975	2,100	2,100	2,200	2,100
Malaysia	1,500	2,100	2,200	2,100	2,100	2,100
Costa Rica	1,450	1,400	1,625	1,300	1,550	1,550
Cote d'Ivoire	1,675	1,400	1,600	1,180	1,500	1,400
Tanzania	800	1,150	1,100	1,050	1,150	1,150
Papua New Guinea	855	810	750	1,115	950	950
Kenya	850	750	750	830	750	800
Thailand	1,000	1,000	700	800	700	700
El Salvador	550	700	560	600	575	575
Venezuela	700	460	500	530	575	575
Cameroon	425	575	625	465	600	520
Laos	475	475	475	400	475	450
Philippines	450	475	425	475	450	450
Other	2,984	2,971	2,825	2,546	2,767	2,348
<b>Total</b>	<b>160,054</b>	<b>153,666</b>	<b>153,145</b>	<b>160,531</b>	<b>159,312</b>	<b>159,888</b>

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

	2013/14	2014/15	2015/16	2016/17	Jun 2017/18	Dec 2017/18
<b>Bean Exports</b>						
Brazil	30,600	33,051	31,870	29,325	29,400	27,200
Vietnam	27,269	19,791	26,950	25,000	24,000	25,500
Colombia	10,300	11,615	11,490	12,700	12,250	12,600
Indonesia	8,540	6,770	7,938	7,309	7,300	7,450
Honduras	3,940	4,760	5,000	7,180	6,300	7,100
Uganda	3,600	3,400	3,500	4,000	4,000	4,000
India	3,330	3,358	4,063	4,250	3,960	3,960
Peru	4,100	2,750	3,300	4,025	4,300	3,600
Ethiopia	3,285	3,500	3,405	3,300	3,310	3,310
Guatemala	3,150	3,050	3,040	3,300	2,800	3,100
Other	11,890	11,689	12,416	12,060	13,225	12,558
<b>Total</b>	<b>110,004</b>	<b>103,734</b>	<b>112,972</b>	<b>112,449</b>	<b>110,845</b>	<b>110,378</b>
<b>Roast and Ground Exports</b>						
European Union	1,185	1,220	1,260	1,300	1,300	1,300
Switzerland	890	975	1,040	1,100	1,000	1,000
Vietnam	120	457	550	550	550	550
Mexico	105	175	200	140	200	200
Colombia	80	90	100	140	90	150
China	81	57	56	180	100	100
United States	580	380	60	100	100	100
Indonesia	40	50	48	48	50	50
Panama	29	42	41	45	40	40
Brazil	30	28	28	31	30	30
Other	80	46	30	36	38	38
<b>Total</b>	<b>3,220</b>	<b>3,520</b>	<b>3,413</b>	<b>3,670</b>	<b>3,498</b>	<b>3,558</b>
<b>Soluble Exports</b>						
Brazil	3,516	3,494	3,645	3,725	3,600	3,200
Malaysia	2,110	2,775	2,975	2,940	3,500	2,900
Vietnam	900	1,282	2,000	2,000	2,100	2,100
India	1,667	1,525	1,625	1,833	1,583	1,583
Mexico	940	860	840	950	950	950
Colombia	660	715	800	900	850	850
Indonesia	1,800	1,900	1,910	800	850	810
Thailand	2,100	1,975	960	800	700	700
China	252	440	632	600	600	600
Ecuador	810	760	740	484	410	410
Other	898	660	929	940	840	840
<b>Total</b>	<b>15,653</b>	<b>16,386</b>	<b>17,056</b>	<b>15,972</b>	<b>15,983</b>	<b>14,943</b>
<b>Exports</b>						
Brazil	34,146	36,573	35,543	33,081	33,030	30,430
Vietnam	28,289	21,530	29,500	27,550	26,650	28,150
Colombia	11,040	12,420	12,390	13,740	13,190	13,600
Indonesia	10,380	8,720	9,896	8,157	8,200	8,310
Honduras	3,940	4,760	5,000	7,180	6,300	7,100
India	5,013	4,894	5,693	6,088	5,550	5,550
Uganda	3,600	3,400	3,500	4,000	4,000	4,000
Peru	4,100	2,750	3,300	4,025	4,300	3,600
Ethiopia	3,285	3,500	3,405	3,300	3,310	3,310
Guatemala	3,175	3,070	3,044	3,310	2,810	3,110
Other	21,909	22,023	22,170	21,660	22,986	21,719
<b>Total</b>	<b>128,877</b>	<b>123,640</b>	<b>133,441</b>	<b>132,091</b>	<b>130,326</b>	<b>128,879</b>

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

	2013/14	2014/15	2015/16	2016/17	Jun 2017/18	Dec 2017/18
<b>Bean Imports</b>						
European Union	44,650	45,140	45,900	46,190	46,500	46,000
United States	24,550	23,525	25,100	25,810	26,000	25,000
Japan	6,890	7,185	7,280	7,000	7,500	7,000
Canada	2,525	2,450	2,800	3,030	3,000	3,100
Russia	2,280	2,240	2,430	2,740	2,700	2,800
Switzerland	2,300	2,420	2,460	2,600	2,700	2,700
Korea, South	2,035	2,150	2,280	2,500	2,500	2,500
Algeria	2,265	2,165	2,275	2,125	2,325	2,200
Malaysia	1,270	1,340	1,440	1,540	2,100	1,500
Australia	1,185	1,310	1,425	1,415	1,350	1,425
Other	12,665	12,592	13,528	12,346	12,165	12,215
<b>Total</b>	<b>102,615</b>	<b>102,517</b>	<b>106,918</b>	<b>107,296</b>	<b>108,840</b>	<b>106,440</b>
<b>Roast and Ground Imports</b>						
China	93	141	460	945	800	1,000
Canada	730	765	375	400	425	425
Vietnam	12	10	20	340	400	400
Russia	215	260	315	325	350	350
Ukraine	340	275	250	250	275	275
Korea, South	125	155	185	190	200	200
Australia	180	190	155	175	180	180
Japan	140	110	105	115	120	120
Norway	110	120	130	125	120	120
Taiwan	50	70	95	90	100	100
Other	394	443	293	293	301	336
<b>Total</b>	<b>2,389</b>	<b>2,539</b>	<b>2,383</b>	<b>3,248</b>	<b>3,271</b>	<b>3,506</b>
<b>Soluble Imports</b>						
Philippines	2,985	3,570	5,500	6,000	6,000	5,000
China	679	858	1,615	1,782	1,500	1,900
Russia	1,735	1,550	1,650	1,550	1,600	1,600
Canada	1,350	1,280	1,370	1,350	1,350	1,350
Japan	840	815	810	875	900	900
Ukraine	690	570	470	500	500	500
Indonesia	555	720	644	391	400	350
Iran	140	80	210	300	300	300
United States	365	480	110	250	300	300
Argentina	260	250	265	260	260	260
Other	2,408	2,185	2,342	2,359	2,304	2,304
<b>Total</b>	<b>12,007</b>	<b>12,358</b>	<b>14,986</b>	<b>15,617</b>	<b>15,414</b>	<b>14,764</b>
<b>Imports</b>						
European Union	44,650	45,140	45,900	46,190	46,500	46,000
United States	24,915	24,005	25,210	26,060	26,300	25,300
Japan	7,870	8,110	8,195	7,990	8,520	8,020
Philippines	3,145	3,755	6,185	6,450	6,500	5,500
Canada	4,605	4,495	4,545	4,780	4,775	4,875
Russia	4,230	4,050	4,395	4,615	4,650	4,750
China	1,682	1,889	2,938	3,534	3,100	3,700
Korea, South	2,160	2,305	2,465	2,690	2,700	2,700
Switzerland	2,300	2,420	2,460	2,600	2,700	2,700
Algeria	2,300	2,195	2,320	2,160	2,365	2,240
Other	19,154	19,050	19,674	19,092	19,415	18,925
<b>Total</b>	<b>117,011</b>	<b>117,414</b>	<b>124,287</b>	<b>126,161</b>	<b>127,525</b>	<b>124,710</b>

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

	2013/14	2014/15	2015/16	2016/17	Jun 2017/18	Dec 2017/18
<b>Domestic Consumption</b>						
European Union	41,475	43,870	44,200	45,220	44,800	45,070
United States	23,811	23,578	25,114	25,019	25,950	25,840
Brazil	20,210	20,420	20,855	21,525	20,660	22,195
Japan	7,750	7,860	8,060	8,170	8,420	8,025
Philippines	3,590	4,230	6,210	7,025	6,950	5,950
Canada	4,605	4,495	4,545	4,780	4,775	4,875
Russia	4,230	4,050	4,395	4,615	4,650	4,750
China	2,181	2,416	3,008	3,765	3,215	4,115
Indonesia	2,540	2,900	3,175	3,220	3,400	3,290
Ethiopia	3,120	2,985	3,110	3,220	3,240	3,240
Vietnam	2,008	2,217	2,630	2,770	2,880	2,880
Korea, South	2,160	2,305	2,465	2,690	2,700	2,700
Mexico	2,731	2,339	2,325	2,092	2,400	2,400
Algeria	2,300	2,195	2,320	2,160	2,365	2,240
Australia	1,615	1,775	1,785	1,765	1,710	1,785
Switzerland	1,410	1,445	1,420	1,500	1,700	1,700
Colombia	1,300	1,400	1,415	1,475	1,650	1,590
Venezuela	1,170	1,151	1,151	1,111	1,215	1,215
India	1,170	1,191	1,250	1,200	1,215	1,205
Ukraine	1,155	1,025	970	1,010	1,075	1,050
Turkey	505	675	710	940	825	850
Norway	775	775	785	805	800	800
Argentina	685	710	741	765	725	725
Serbia	790	605	645	705	725	725
Malaysia	660	665	665	700	700	700
Other	8,443	8,373	8,728	8,598	8,902	8,560
<b>Total</b>	<b>142,389</b>	<b>145,650</b>	<b>152,677</b>	<b>156,845</b>	<b>157,647</b>	<b>158,475</b>
<b>Ending Stocks</b>						
European Union	12,400	12,225	12,100	11,270	12,500	10,500
United States	6,025	6,117	6,199	7,190	7,000	6,600
Japan	3,100	3,350	3,485	3,305	3,600	3,300
Brazil	11,946	9,305	2,372	3,928	3,886	2,568
India	2,026	2,586	2,645	1,932	2,205	2,092
Vietnam	2,130	6,373	3,803	1,183	1,313	1,113
Colombia	961	671	1,131	886	1,196	596
Philippines	100	100	500	400	400	400
Tanzania	202	322	250	220	290	290
Ecuador	410	400	210	237	261	261
Other	1,864	1,505	1,573	1,473	1,350	1,548
<b>Total</b>	<b>41,164</b>	<b>42,954</b>	<b>34,268</b>	<b>32,024</b>	<b>34,001</b>	<b>29,268</b>

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.