



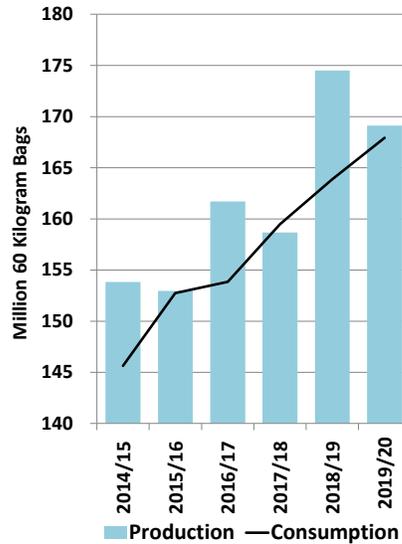
# Coffee: World Markets and Trade

## 2019/20 Forecast Overview

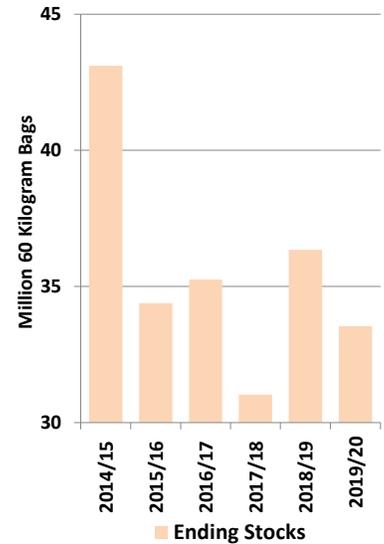
**World** coffee production for 2019/20 is forecast 5.4 million bags (60 kilograms) lower than the previous year to 169.1 million, due primarily to Brazil’s Arabica trees entering the off-year of the biennial production cycle. With global consumption forecast at a record 167.9 million bags, ending inventories are expected to retreat 2.8 million bags to 33.5 million. World exports are expected down 800,000 bags to 116.8 million as lower exports from Brazil more than offset higher shipments from Indonesia and Vietnam. Coffee prices, as measured by the International Coffee Organization (ICO) monthly composite price index, dropped 15 percent in the last year to 93.33 in May 2019, the lowest since September 2006. [http://www.ico.org/new\\_historical.asp](http://www.ico.org/new_historical.asp)

**Brazil’s** Arabica output is forecast to drop 7.2 million bags to 41.0 million. Good weather conditions generally prevailed in most coffee growing regions during the blossoming and fruit-forming stages. However, production is expected to drop compared to the previous season since most trees are in the off-year of the biennial production cycle. Crop quality is expected lower than last year because trees in many areas had multiple stages of maturity when the coffee cherries were harvested. The bulk of the Arabica harvest started in May and June. The Robusta harvest is forecast to continue expanding to reach a record 18.3 million bags, an increase of 1.7 million. Abundant rainfall aided

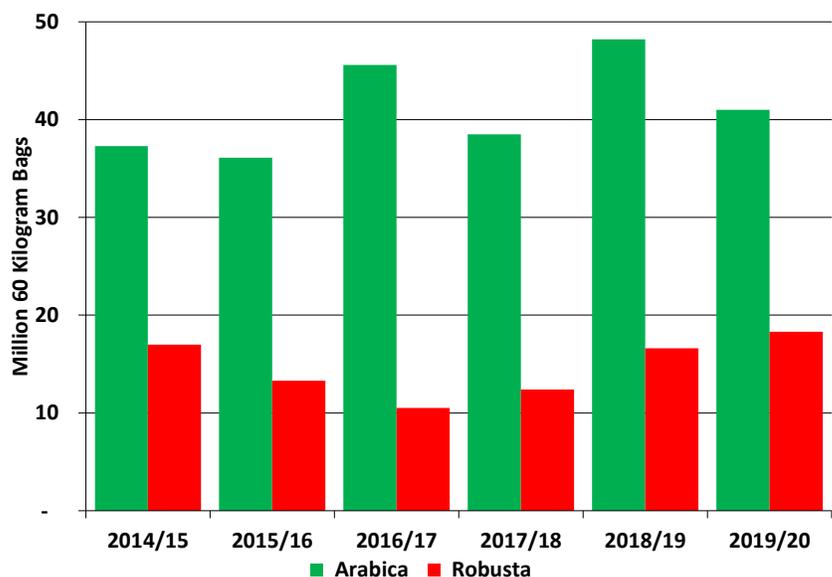
**Record World Consumption Forecast on Reduced Production...**



**Lowering World Ending Stocks**



**Brazil’s Arabica Production to Fall as Robusta Reaches Record**

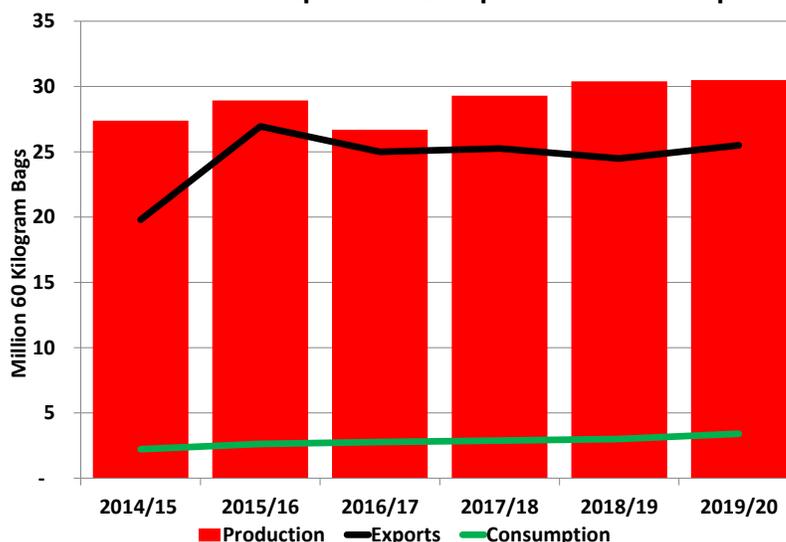


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fruit development in the major producing state of Espirito Santo, while good crop management practices supported a steady increase in the state of Rondonia. Most of the Robusta harvest started in April and May. However, the combined Arabica and Robusta harvest is forecast down 5.5 million bags to 59.3 million. With reduced supplies, bean exports are expected to drop 2.5 million bags to 33.5 million and ending stocks are forecast to decline 1.0 million bags to 2.9 million. Consumption is expected to continue rising to a record 23.5 million bags.

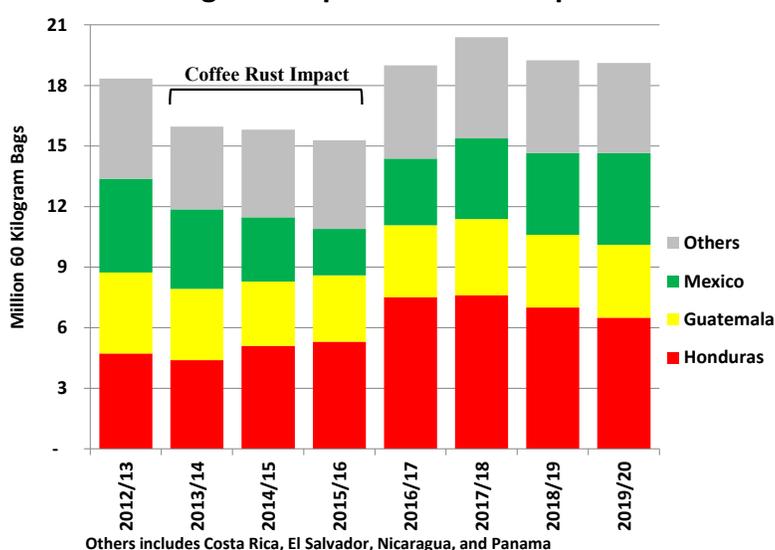
**Vietnam's** production is forecast to add 100,000 bags to a record 30.5 million. Between January and early April 2019, the main coffee regions in the Central Highlands experienced seasonally dry and sunny weather, and trees were irrigated. The rainy season was slightly delayed, but adequate for good flowering and fruit-set. With black pepper prices falling over the last three years, farmers are no longer replacing coffee trees with pepper. However, some farmers have begun to plant durian, mango, avocado, and passion fruit trees in their coffee orchards. Over 95 percent of total output is Robusta, because Arabica trees produce good cherries only when grown at least 1,000 meters above sea level. Hence, expansion is limited due to the remoteness of these locations and the logistical difficulties related to transporting and processing the coffee. Bean exports are forecast 1.0 million bags higher to 25.5 million, while ending stocks remain unchanged at 2.1 million bags.

**Vietnam's Record Output to Fuel Exports and Consumption**



Total output for **Central America** and **Mexico** is forecast nearly unchanged at 19.1 million bags as some countries in the region continue to struggle with the coffee rust outbreak that first lowered output in 2013/14. Gains in Mexico on favorable weather are expected to offset losses in Honduras. El Salvador, Guatemala, and Panama are flat at 650,000 bags, 3.6 million bags, and 100,000 bags, respectively, as these countries continue to struggle with rust and output remains below their pre-rust level. Nicaragua is forecast 200,000 bags lower to 2.3 million as financial constraints are expected to lead to reduced inputs and yields. Bean exports for the region are forecast to lose 600,000 bags to 15.5 million mainly due to lower exportable supplies in Honduras. Over 45 percent of the region's exports are destined for the European Union, followed by about one-third to the United States.

**Mexico's Higher Output to Offset Drop in Honduras**



**Colombia's** production is forecast flat at 14.3 million bags on normal growing conditions. The National Federation of Coffee Growers of Colombia (FEDECAFE) estimates that since 2012, about half of the

940,000 hectares of coffee have been renovated, mostly with rust-resistant varieties. This effort raised yields nearly one-third to 18.2 bags per hectare and lowered the average age of coffee trees to 7 years (from 15). FEDECAFE and the Colombian government renovated an estimate 80,000 hectares in 2018, with the goal of renovating 90,000 hectares annually to reach the production goal of 18 million bags in the coming years. Bean exports are seen unchanged at 12.3 million bags, while ending stocks are expected to dip slightly to 500,000 bags.

**Indonesia's** production is forecast to gain a modest 100,000 bags to 10.7 million, with the gain split evenly between Arabica and Robusta output. Robusta production is expected to reach 9.5 million bags on favorable growing conditions in the lowland areas of Southern Sumatra and Java, where approximately 75 percent is grown. Despite heavy rainfall in West Java that delayed its Arabica harvest, output is expected up slightly. Bean exports are forecast to rebound 1.6 million bags to 6.5 million, boosted by last year's elevated ending stocks.

**European Union** imports are forecast down 500,000 bags to 48.5 million and account for over 40 percent of the world's coffee bean imports. Top suppliers include Brazil (29 percent), Vietnam (25 percent), Honduras (8 percent), and Colombia (6 percent). Ending stocks are expected down 700,000 bags to 13.1 million.

The **United States** imports the second-largest amount of coffee beans and is forecast 400,000 bags higher to 26.5 million. Top suppliers include Brazil (24 percent), Colombia (22 percent), Vietnam (15 percent), and Guatemala (6 percent). Ending stocks are forecast up 200,000 bags to 6.9 million.

## Revised 2018/19

World **production** is unchanged from the December 2018 estimate of 174.5 million bags.

- Brazil is raised 1.4 million bags to 64.8 million on higher yields in Minas Gerais.
- Mexico is down 500,000 bags to 4.1 million as rust damage was higher than anticipated.
- Indonesia is reduced 300,000 bags to 10.6 million following heavy rains during cherry development that lowered Robusta yields.

World **bean exports** are raised 600,000 bags to 117.6 million.

- Brazil is up 4.0 million bags to 36.0 million on higher-than-anticipated stocks drawdown and greater exportable supplies.
- Indonesia is down 2.1 million bags to 4.9 million as several importing countries switched to Brazil's lower-priced Robusta.
- Vietnam is lowered 1.0 million bags to 24.5 million as farmers reduced sales, adding to stocks.

World **ending stocks** are reduced 700,000 bags to 36.3 million.

- Brazil is lowered 3.0 million bags to 3.9 million on higher shipments.
- Indonesia is up 1.5 million bags to 2.4 million on lower shipments.
- Vietnam is raised 1.0 million bags to 2.1 million on lower shipments.

The next publication of this circular will be on December 13, 2019.

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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 arrow 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:

<https://usda.library.cornell.edu/concern/publications/m900nt40f?locale=en>

Production, Supply and Distribution Database (PSD Online):

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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>

## 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**

	2014/15	2015/16	2016/17	2017/18	2018/19	Jun 2019/20
<b>Arabica Production</b>						
Brazil	37,300	36,100	45,600	38,500	48,200	41,000
Colombia	13,300	14,000	14,600	13,825	14,300	14,300
Ethiopia	6,475	6,510	6,943	7,055	7,250	7,350
Honduras	5,100	5,300	7,510	7,600	7,000	6,500
Peru	2,900	3,500	4,225	4,375	4,380	4,500
Mexico	2,980	2,125	3,100	3,800	3,850	4,350
Guatemala	3,125	3,125	3,400	3,600	3,500	3,500
China	2,125	1,900	1,800	1,925	2,200	2,300
Nicaragua	2,100	2,100	2,600	2,700	2,500	2,300
India	1,630	1,725	1,583	1,583	1,470	1,485
Vietnam	1,050	1,100	1,100	1,300	1,400	1,400
Costa Rica	1,400	1,625	1,300	1,525	1,300	1,375
Indonesia	1,270	1,500	1,300	1,000	1,200	1,250
Papua New Guinea	760	700	1,065	760	825	850
Uganda	750	750	1,200	750	800	750
Other	4,343	4,280	4,200	4,041	4,218	4,070
<b>Total</b>	<b>86,608</b>	<b>86,340</b>	<b>101,526</b>	<b>94,339</b>	<b>104,393</b>	<b>97,280</b>
<b>Robusta Production</b>						
Vietnam	26,350	27,830	25,600	28,000	29,000	29,100
Brazil	17,000	13,300	10,500	12,400	16,600	18,300
Indonesia	9,200	10,600	9,300	9,400	9,400	9,450
India	3,810	4,075	3,617	3,683	3,700	4,000
Uganda	2,800	2,900	4,000	3,600	4,000	3,500
Malaysia	2,100	2,200	2,100	2,100	2,100	2,000
Cote d'Ivoire	1,400	1,600	1,090	1,250	1,700	1,800
Thailand	1,000	700	800	700	650	700
Tanzania	550	500	500	550	600	600
Laos	475	475	410	450	460	475
Other	2,523	2,419	2,261	2,179	1,897	1,925
<b>Total</b>	<b>67,208</b>	<b>66,599</b>	<b>60,178</b>	<b>64,312</b>	<b>70,107</b>	<b>71,850</b>
<b>Production</b>						
Brazil	54,300	49,400	56,100	50,900	64,800	59,300
Vietnam	27,400	28,930	26,700	29,300	30,400	30,500
Colombia	13,300	14,000	14,600	13,825	14,300	14,300
Indonesia	10,470	12,100	10,600	10,400	10,600	10,700
Ethiopia	6,475	6,510	6,943	7,055	7,250	7,350
Honduras	5,100	5,300	7,510	7,600	7,000	6,500
India	5,440	5,800	5,200	5,266	5,170	5,485
Mexico	3,180	2,300	3,300	4,000	4,050	4,550
Peru	2,900	3,500	4,225	4,375	4,380	4,500
Uganda	3,550	3,650	5,200	4,350	4,800	4,250
Guatemala	3,185	3,295	3,570	3,780	3,600	3,600
Nicaragua	2,125	2,125	2,625	2,730	2,540	2,340
China	2,125	1,900	1,800	1,925	2,200	2,300
Malaysia	2,100	2,200	2,100	2,100	2,100	2,000
Cote d'Ivoire	1,400	1,600	1,090	1,250	1,700	1,800
Costa Rica	1,400	1,625	1,300	1,525	1,300	1,375
Tanzania	1,150	1,100	1,050	1,150	1,300	1,250
Papua New Guinea	810	750	1,115	810	875	900
Thailand	1,000	700	800	700	650	700
El Salvador	700	560	600	660	650	650
Kenya	750	750	815	715	750	650
Venezuela	460	500	530	575	585	600
Laos	475	475	410	450	460	475
Philippines	475	425	475	450	425	450
Cameroon	575	625	500	425	350	350
Other	2,971	2,819	2,546	2,335	2,265	2,255
<b>Total</b>	<b>153,816</b>	<b>152,939</b>	<b>161,704</b>	<b>158,651</b>	<b>174,500</b>	<b>169,130</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

	2014/15	2015/16	2016/17	2017/18	2018/19	Jun 2019/20
<b>Bean Exports</b>						
Brazil	33,051	31,870	29,325	26,936	36,000	33,500
Vietnam	19,791	26,950	25,000	25,250	24,500	25,500
Colombia	11,615	11,490	12,700	11,700	12,300	12,300
Indonesia	6,770	7,938	7,309	6,940	4,907	6,500
Honduras	4,760	5,000	7,175	7,225	6,700	6,200
Peru	2,750	3,300	4,025	4,185	4,260	4,300
Ethiopia	3,500	3,405	3,853	3,893	3,980	4,000
Uganda	3,400	3,500	4,600	4,500	4,600	4,000
India	3,358	4,063	4,273	4,127	3,700	3,750
Guatemala	3,050	3,040	3,325	3,460	3,400	3,300
Other	11,689	12,414	12,216	12,939	13,263	13,471
<b>Total</b>	<b>103,734</b>	<b>112,970</b>	<b>113,801</b>	<b>111,155</b>	<b>117,610</b>	<b>116,821</b>
<b>Roast and Ground Exports</b>						
European Union	1,220	1,260	1,395	1,450	1,600	1,500
Switzerland	975	1,040	1,150	1,225	1,300	1,300
Vietnam	457	550	550	550	550	600
Colombia	90	100	155	175	200	200
Mexico	175	200	155	180	180	190
Indonesia	50	48	65	70	43	45
Panama	45	45	30	30	25	25
Brazil	28	28	31	20	20	20
China	57	56	180	30	20	20
Nicaragua	20	10	10	10	15	15
Other	406	80	16	10	15	16
<b>Total</b>	<b>3,523</b>	<b>3,417</b>	<b>3,737</b>	<b>3,750</b>	<b>3,968</b>	<b>3,931</b>
<b>Soluble Exports</b>						
Brazil	3,494	3,645	3,725	3,494	3,700	3,300
Malaysia	2,775	2,975	2,940	3,050	3,100	3,100
Vietnam	1,282	2,000	2,000	2,100	2,150	2,200
India	1,525	1,625	1,880	2,017	1,836	1,800
Indonesia	1,900	1,910	800	1,000	1,200	1,300
Mexico	860	840	970	1,000	1,000	1,000
Colombia	715	800	900	850	900	900
European Union	225	520	510	680	800	700
Thailand	1,975	960	850	650	550	600
China	440	632	600	450	350	400
Other	1,195	1,094	829	907	760	725
<b>Total</b>	<b>16,386</b>	<b>17,001</b>	<b>16,004</b>	<b>16,198</b>	<b>16,346</b>	<b>16,025</b>
<b>Exports</b>						
Brazil	36,573	35,543	33,081	30,450	39,720	36,820
Vietnam	21,530	29,500	27,550	27,900	27,200	28,300
Colombia	12,420	12,390	13,755	12,725	13,400	13,400
Indonesia	8,720	9,896	8,174	8,010	6,150	7,845
Honduras	4,760	5,000	7,175	7,225	6,700	6,200
India	4,894	5,693	6,158	6,148	5,540	5,555
Peru	2,750	3,300	4,025	4,185	4,260	4,300
Ethiopia	3,500	3,405	3,853	3,893	3,980	4,000
Uganda	3,400	3,500	4,600	4,500	4,600	4,000
Mexico	2,560	2,340	2,865	3,220	3,220	3,340
Other	22,536	22,821	22,306	22,847	23,154	23,017
<b>Total</b>	<b>123,643</b>	<b>133,388</b>	<b>133,542</b>	<b>131,103</b>	<b>137,924</b>	<b>136,777</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

	2014/15	2015/16	2016/17	2017/18	2018/19	Jun 2019/20
<b>Bean Imports</b>						
European Union	45,140	46,150	46,050	47,430	49,000	48,500
United States	23,525	25,100	25,810	24,450	26,100	26,500
Japan	7,185	7,280	7,000	6,500	7,500	7,100
Canada	2,450	2,800	3,030	3,035	3,000	3,100
Russia	2,240	2,430	2,710	2,860	2,700	2,800
Switzerland	2,420	2,460	2,600	2,750	2,700	2,800
Korea, South	2,150	2,280	2,500	2,400	2,400	2,500
Algeria	2,165	2,275	2,165	2,270	2,300	2,400
Malaysia	1,340	1,440	1,510	1,550	1,800	1,700
Australia	1,310	1,425	1,415	1,540	1,600	1,650
Other	12,592	13,428	12,480	14,120	14,659	14,550
<b>Total</b>	<b>102,517</b>	<b>107,068</b>	<b>107,270</b>	<b>108,905</b>	<b>113,759</b>	<b>113,600</b>
<b>Roast and Ground Imports</b>						
Vietnam	10	20	340	400	500	550
Russia	260	315	325	390	450	475
China	141	460	945	385	350	400
Ukraine	275	250	260	270	330	325
Korea, South	155	185	225	245	300	300
Canada	765	375	220	285	220	250
United States	0	0	160	115	200	200
Australia	190	155	190	160	150	165
Norway	120	130	125	140	125	130
Taiwan	70	95	140	120	100	110
Other	553	398	452	465	477	483
<b>Total</b>	<b>2,539</b>	<b>2,383</b>	<b>3,382</b>	<b>2,975</b>	<b>3,202</b>	<b>3,388</b>
<b>Soluble Imports</b>						
Philippines	3,570	5,500	6,000	5,500	5,500	5,500
Canada	1,280	1,370	1,300	1,430	1,500	1,550
China	858	1,615	1,782	1,570	1,500	1,500
Russia	1,550	1,650	1,705	1,215	1,300	1,300
Japan	815	810	925	1,140	900	1,000
Indonesia	720	644	391	828	983	900
Ukraine	570	470	440	425	500	500
Iran	80	210	300	560	300	400
South Africa	250	250	265	315	300	300
Argentina	250	265	245	300	250	275
Other	2,405	2,232	2,534	2,528	2,631	2,550
<b>Total</b>	<b>12,348</b>	<b>15,016</b>	<b>15,887</b>	<b>15,811</b>	<b>15,664</b>	<b>15,775</b>
<b>Imports</b>						
European Union	45,140	46,150	46,050	47,430	49,000	48,500
United States	23,995	25,185	26,480	24,790	26,600	26,950
Japan	8,110	8,195	8,030	7,720	8,500	8,200
Philippines	3,755	6,185	6,420	6,100	6,200	6,150
Canada	4,495	4,545	4,550	4,750	4,720	4,900
Russia	4,050	4,395	4,740	4,465	4,450	4,575
China	1,889	2,938	3,534	2,705	2,750	2,900
Korea, South	2,305	2,465	2,725	2,645	2,700	2,800
Switzerland	2,420	2,460	2,600	2,750	2,700	2,800
Algeria	2,195	2,320	2,205	2,300	2,340	2,440
Other	19,050	19,629	19,205	22,036	22,665	22,548
<b>Total</b>	<b>117,404</b>	<b>124,467</b>	<b>126,539</b>	<b>127,691</b>	<b>132,625</b>	<b>132,763</b>

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## Coffee Summary, Continued

Thousand 60-Kilogram Bags

	2014/15	2015/16	2016/17	2017/18	2018/19	Jun 2019/20
<b>Domestic Consumption</b>						
European Union	43,870	44,495	42,345	45,700	46,300	47,000
United States	23,568	25,083	25,522	25,572	26,372	26,785
Brazil	20,420	20,855	21,625	22,420	23,200	23,530
Japan	7,860	8,060	8,210	8,231	8,294	8,300
Philippines	4,230	6,210	6,995	6,550	6,225	6,600
Canada	4,495	4,545	4,550	4,750	4,720	4,900
Indonesia	2,900	3,175	3,203	3,560	4,300	4,900
Russia	4,050	4,395	4,740	4,465	4,450	4,575
Vietnam	2,217	2,630	2,770	2,880	2,990	3,400
Ethiopia	2,985	3,110	3,100	3,150	3,270	3,350
China	2,416	2,833	3,205	3,045	3,155	3,250
Korea, South	2,305	2,465	2,725	2,645	2,700	2,800
Mexico	2,339	2,325	2,057	2,295	2,655	2,705
Algeria	2,195	2,320	2,205	2,300	2,340	2,440
Colombia	1,400	1,415	1,450	1,650	1,986	2,050
Australia	1,775	1,785	1,730	1,875	1,875	1,965
Switzerland	1,445	1,420	1,450	1,525	1,400	1,500
Ukraine	1,025	970	960	1,095	1,280	1,300
India	1,191	1,250	1,200	1,215	1,250	1,270
Morocco	635	670	660	825	1,020	1,220
Venezuela	1,151	1,151	1,133	1,217	1,214	1,197
Turkey	675	710	960	875	1,080	1,025
Argentina	710	741	754	775	780	860
Egypt	480	525	630	770	800	850
Serbia	605	715	605	715	850	800
Other	8,695	8,876	9,055	9,360	9,381	9,347
<b>Total</b>	<b>145,637</b>	<b>152,729</b>	<b>153,839</b>	<b>159,460</b>	<b>163,887</b>	<b>167,919</b>
<b>Ending Stocks</b>						
European Union	12,225	12,100	13,900	13,500	13,800	13,100
United States	6,117	6,199	7,190	6,440	6,700	6,900
Japan	3,350	3,485	3,305	2,794	3,000	2,900
Brazil	9,305	2,372	3,828	1,919	3,864	2,879
Vietnam	6,373	3,803	1,183	763	2,133	2,143
Indonesia	53	46	12	593	2,419	1,589
India	2,586	2,645	1,873	1,248	969	951
Philippines	100	500	400	400	800	800
Colombia	671	1,131	886	1,111	850	525
Tanzania	322	250	220	290	310	280
Other	2,002	1,862	2,458	1,976	1,503	1,478
<b>Total</b>	<b>43,104</b>	<b>34,393</b>	<b>35,255</b>	<b>31,034</b>	<b>36,348</b>	<b>33,545</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.