

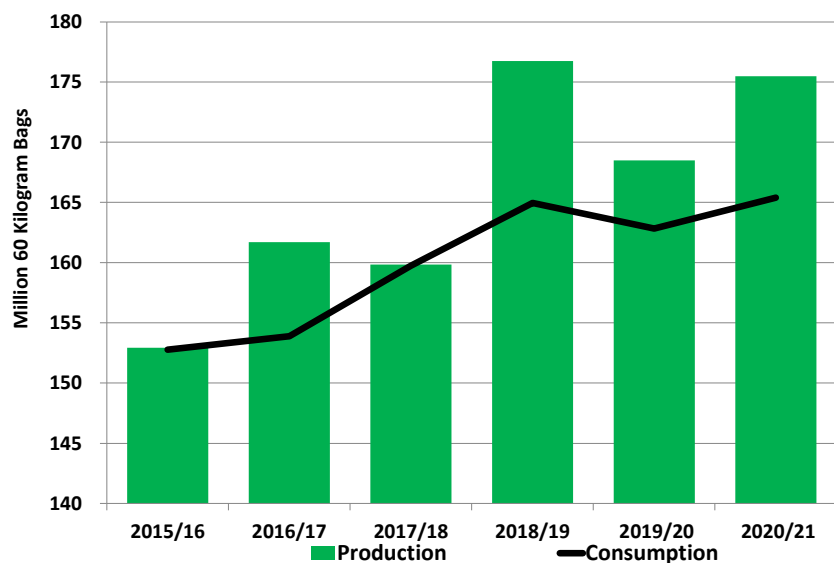


# Coffee: World Markets and Trade

## 2020/21 Forecast Overview

**World** coffee production for 2020/21 is forecast 7.0 million bags (60 kilograms) higher than the previous year to 175.5 million. Brazil is forecast to account for most of the gain as its Arabica crop enters the on-year of the biennial production cycle and Robusta reaches record output. World exports are forecast higher on strong gains in Brazil, Honduras, and Colombia. Global ending stocks are expected to jump to a 6-year high as production outpaces consumption. Coffee prices, as measured by the International Coffee Organization (ICO) monthly composite price index, averaged \$1.10 per pound in November 2020, down from the recent high of \$1.16 in September 2020. [http://www.ico.org/coffee\\_prices.asp](http://www.ico.org/coffee_prices.asp)

## World Production and Consumption Rebound



**Brazil** Arabica output is forecast 5.8 million bags above the previous season to 47.8 million. Good weather conditions prevailed in most coffee regions, supporting fruit setting and development and filling, thus resulting in higher yields. In addition, the majority of producing areas are in the on-year of the biennial production cycle. Robusta production is forecast 1.6 million bags higher to a record 20.1 million. Abundant rainfall boosted yields in the three major producing states of Espirito Santo, Rondonia, and Bahia. Also, expansion of clonal seedlings and improved crop management techniques aided this year's gain. Coffee traders report that both Arabica and Robusta bean size and cup quality are above historical average due to uniform blossoming followed by dry weather during the harvest. The combined Arabica and Robusta harvest is forecast up 7.4 million bags to a record 67.9 million. Bean exports are expected to rise 825,000 bags to 37.0 million, while ending stocks are forecast to nearly triple to 5.3 million bags.

**Vietnam** production is forecast at 29.0 million bags, down 2.3 million from last year's record harvest. Cultivated area is forecast unchanged from last year, with over 95 percent of total output remaining as Robusta. The beginning of the rainy season got off to a dry start, followed by below-average precipitation in many of the major growing areas. February to May are normally dry months and coffee requires irrigation during this period to ensure proper blossom and cherry setting. However, low coffee prices were a disincentive to incur irrigation costs, reducing yields for some growers. Vietnam's Ministry

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of Agriculture and Rural Development indicated that it will direct policies to reduce coffee area by approximately 20,000 hectares to 600,000 and encourage farmers to switch to other crops where conditions are not favorable for coffee cultivation. Over the last few years, some farmers have begun to plant durian, mango, avocado, and passion fruit trees in their coffee orchards. And with black pepper prices falling over the last 5 years, farmers are no longer replacing coffee trees with pepper. Bean exports are forecast nearly unchanged at 23.8 million bags, while inventories are expected to remain above 4 million bags for a second consecutive year.

**Colombia** Arabica production is forecast unchanged at 14.1 million bags on favorable growing conditions and higher yields. Bean exports, mostly to the United States and European Union, are forecast up 600,000 bags to 12.4 million. With consumption also rising, ending stocks are expected slightly lower.

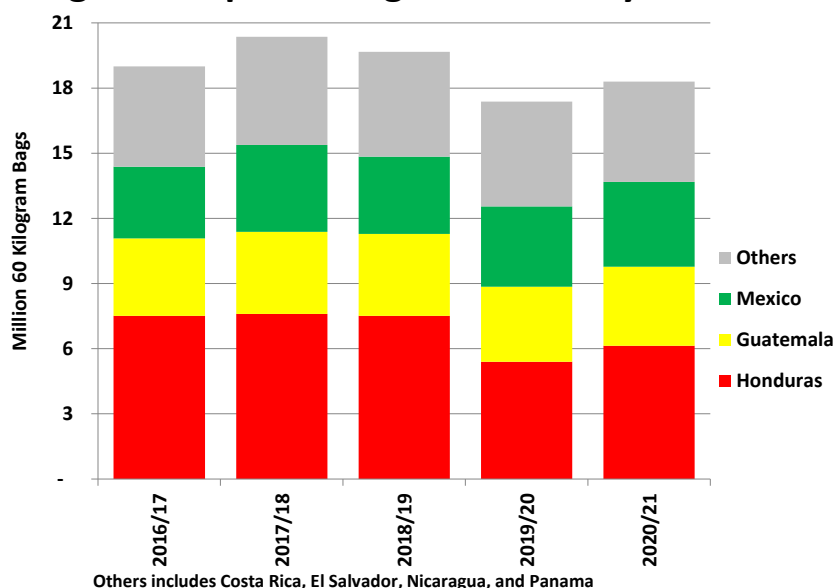
**Indonesia** output is forecast unchanged at 10.7 million bags as lower Robusta output is offset by higher Arabica production. Delayed rains in Southern Sumatra and Java, where approximately 75 percent of the Robusta crop is grown, lowered production 50,000 bags to 9.4 million. Arabica production, situated in Northern Sumatra, had favorable growing conditions and is expected to boost output 50,000 bags to 1.3 million. Ending stocks are expected to remain elevated at 2.4 million bags as recent prices have offered little incentive to draw inventories lower. Bean exports are forecast 100,000 bags lower to 6.0 million.

**India** production is forecast to gain 300,000 bags to 5.3 million as favorable weather during the flowering and fruit set period is expected to improve Arabica and Robusta yields. Bean exports as well as inventories are forecast unchanged at 3.5 million bags and 900,000 bags, respectively.

Total output for **Central America and Mexico** is forecast up 900,000 bags to 18.3 million bags. Coffee rust remains in the region and continues to impact output. Honduras is expected to account for nearly all the region’s growth, rebounding 700,000 bags to 6.1 million on favorable growing conditions coupled with increased application of fertilizers to boost yields. Honduras accounts for about one-third of the region’s output. Mexico and Guatemala each account for about 20 percent of the region’s output and they continue to implement programs to replace trees with rust-resistant varieties.

Nicaragua’s production is forecast to drop a third consecutive year on lower yields due to coffee rust. Following higher production, the combined bean exports for Central America and Mexico are forecast 900,000 bags higher to 14.8 million. Over 45 percent of the region’s exports are destined for the European Union, followed by about one-third to the United States.

**Higher Output in Region Driven by Honduras**



**European Union** imports are forecast up 1.9 million bags to 49.0 million and account for nearly 45 percent of the world's coffee bean imports. Top suppliers include Brazil (29 percent), Vietnam (22 percent), Colombia (7 percent), and Honduras (6 percent). Ending stocks are expected to rise 1.0 million bags to 14.5 million.

The **United States** imports the second largest amount of coffee beans and is forecast up 2.1 million bags to 26.0 million. Top suppliers include Brazil (25 percent), Colombia (22 percent), Vietnam (15 percent), and Honduras (6 percent). Ending stocks are forecast to grow 600,000 bags to 7.0 million.

### **Revised 2019/20**

World **production** is raised 1.6 million bags from the June 2020 estimate to 168.5 million.

- Brazil is up 1.2 million bags to 60.5 million, largely due to updated data for Arabica output.
- Colombia is 300,000 bags higher to 14.1 million on higher yields.

World **bean exports** are up 2.4 million bags to 114.4 million.

- Brazil is raised 3.5 million bags to 36.2 million on updated trade data.
- Honduras is down 600,000 bags to 4.9 million on reduced exportable supplies.
- Vietnam is lowered 400,000 bags to 23.6 million as farmers added to stocks.

World **bean imports** are lowered 1.0 million bags to 108.7 million.

- The United States is down 1.1 million bags to 23.9 million on lower consumption.

The next release of this publication will be on June 18, 2021.

**European Union** definition: includes countries in the customs union, including the UK (Austria, Belgium/Luxembourg, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom).

The United Kingdom remains a member of the EU Customs Union for the duration of the transition period which expires December 31, 2020. A notice will be posted on respective USDA web pages to inform the public of how we intend to handle splitting the United Kingdom from the rest of the EU in our forecasts, GAIN reporting and other data well in advance of any changes. The WASDE, FAS reports, and FAS databases will continue to reflect the EU-28 (EU-27+UK) until further notice.

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**To download additional data tables**, go to the 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:

<https://apps.fas.usda.gov/psdonline/app/index.html#/app/downloads>

Archives *World Market and Trade* Reports:

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

Production, Supply and Distribution Database (PSD Online):

<https://apps.fas.usda.gov/psdonline/app/index.html#/app/advQuery>

Global Agricultural Information Network (Agricultural Attaché Reports):

<https://gain.fas.usda.gov/#/>

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**

	2016/17	2017/18	2018/19	2019/20	Jun 2020/21	Dec 2020/21
<b>Arabica Production</b>						
Brazil	45,600	39,500	49,700	42,000	47,800	47,800
Colombia	14,600	13,825	13,870	14,100	14,100	14,100
Ethiopia	6,943	7,055	7,350	7,450	7,500	7,500
Honduras	7,510	7,600	7,515	5,400	6,125	6,125
Peru	4,225	4,375	4,480	4,550	4,450	4,450
Guatemala	3,400	3,600	3,520	3,200	3,400	3,400
Mexico	3,100	3,800	3,100	3,150	3,300	3,300
Nicaragua	2,600	2,700	2,800	2,600	2,185	2,500
China	1,800	1,925	2,000	1,900	2,000	2,000
Costa Rica	1,300	1,525	1,250	1,472	1,500	1,500
India	1,583	1,583	1,583	1,450	1,560	1,500
Indonesia	1,300	1,000	1,200	1,250	1,300	1,300
Vietnam	1,100	1,026	1,064	1,100	1,025	1,000
Papua New Guinea	1,065	760	915	805	850	850
Uganda	1,200	750	800	750	800	800
Other	4,200	4,020	4,227	4,129	3,905	3,845
<b>Total</b>	<b>101,526</b>	<b>95,044</b>	<b>105,374</b>	<b>95,306</b>	<b>101,800</b>	<b>101,970</b>
<b>Robusta Production</b>						
Vietnam	25,600	28,274	29,336	30,200	29,175	28,000
Brazil	10,500	12,600	16,800	18,500	20,100	20,100
Indonesia	9,300	9,400	9,400	9,450	9,000	9,400
Uganda	4,000	3,600	4,000	3,500	4,000	4,000
India	3,617	3,683	3,742	3,517	3,750	3,750
Malaysia	2,100	2,100	2,100	1,900	2,000	2,000
Cote d'Ivoire	1,090	1,250	2,000	1,725	1,800	1,800
Tanzania	500	550	600	600	650	650
Mexico	200	200	450	550	600	600
Thailand	800	700	650	700	600	600
Other	2,471	2,444	2,312	2,550	2,610	2,610
<b>Total</b>	<b>60,178</b>	<b>64,801</b>	<b>71,390</b>	<b>73,192</b>	<b>74,285</b>	<b>73,510</b>
<b>Production</b>						
Brazil	56,100	52,100	66,500	60,500	67,900	67,900
Vietnam	26,700	29,300	30,400	31,300	30,200	29,000
Colombia	14,600	13,825	13,870	14,100	14,100	14,100
Indonesia	10,600	10,400	10,600	10,700	10,300	10,700
Ethiopia	6,943	7,055	7,350	7,450	7,500	7,500
Honduras	7,510	7,600	7,515	5,400	6,125	6,125
India	5,200	5,266	5,325	4,967	5,310	5,250
Uganda	5,200	4,350	4,800	4,250	4,800	4,800
Peru	4,225	4,375	4,480	4,550	4,450	4,450
Mexico	3,300	4,000	3,550	3,700	3,900	3,900
Guatemala	3,570	3,780	3,770	3,450	3,650	3,650
Nicaragua	2,625	2,730	2,850	2,680	2,265	2,580
China	1,800	1,925	2,000	1,900	2,000	2,000
Malaysia	2,100	2,100	2,100	1,900	2,000	2,000
Cote d'Ivoire	1,090	1,250	2,000	1,725	1,800	1,800
Costa Rica	1,300	1,525	1,250	1,472	1,500	1,500
Tanzania	1,050	1,150	1,300	1,250	1,350	1,350
Papua New Guinea	1,115	810	965	855	900	900
Kenya	815	715	775	725	650	650
Thailand	800	700	650	700	600	600
Cameroon	500	425	450	475	500	500
Venezuela	530	575	585	550	480	480
El Salvador	600	660	654	605	475	475
Laos	410	450	375	425	450	450
Philippines	475	450	425	450	425	425
Other	2,546	2,329	2,225	2,419	2,455	2,395
<b>Total</b>	<b>161,704</b>	<b>159,845</b>	<b>176,764</b>	<b>168,498</b>	<b>176,085</b>	<b>175,480</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

	2016/17	2017/18	2018/19	2019/20	Jun 2020/21	Dec 2020/21
<b>Bean Exports</b>						
Brazil	29,325	26,938	37,379	36,175	37,000	37,000
Vietnam	25,000	25,250	24,700	23,600	24,000	23,800
Colombia	12,700	11,700	12,500	11,800	12,400	12,400
Indonesia	7,309	6,940	4,907	6,096	5,900	6,000
Honduras	7,175	7,225	6,910	4,900	5,575	5,575
Uganda	4,600	4,500	4,600	4,000	4,500	4,500
Peru	4,025	4,185	4,383	4,360	4,265	4,265
Ethiopia	3,853	3,893	4,174	4,100	4,150	4,150
India	4,273	4,127	3,936	3,483	3,300	3,500
Guatemala	3,325	3,460	3,600	3,200	3,400	3,400
Other	12,216	12,931	13,507	12,713	12,697	12,937
<b>Total</b>	<b>113,801</b>	<b>111,149</b>	<b>120,596</b>	<b>114,427</b>	<b>117,187</b>	<b>117,527</b>
<b>Roast and Ground Exports</b>						
Switzerland	1,150	1,225	1,350	1,560	1,400	1,600
European Union	1,395	1,450	1,340	1,725	1,500	1,500
Vietnam	550	550	550	550	550	550
Colombia	155	175	315	215	300	300
Mexico	155	180	222	180	230	200
Indonesia	65	70	43	56	50	65
Panama	30	30	40	40	10	30
China	180	30	25	25	25	25
Brazil	31	20	24	26	24	20
Costa Rica	10	5	5	10	10	10
Other	16	15	10	10	12	12
<b>Total</b>	<b>3,737</b>	<b>3,750</b>	<b>3,924</b>	<b>4,397</b>	<b>4,111</b>	<b>4,312</b>
<b>Soluble Exports</b>						
Brazil	3,725	3,496	4,023	4,039	4,000	4,000
Malaysia	2,940	3,075	3,125	3,000	3,000	3,000
Vietnam	2,000	2,100	2,150	2,250	2,300	2,300
India	1,880	2,017	1,838	1,767	1,950	1,954
Mexico	970	1,000	943	1,000	1,050	1,050
Indonesia	800	1,000	1,200	1,000	1,000	1,020
Colombia	900	850	900	1,000	800	900
European Union	510	680	780	750	700	700
Thailand	850	650	530	525	500	500
China	605	490	445	300	425	425
Other	829	907	783	755	733	733
<b>Total</b>	<b>16,009</b>	<b>16,265</b>	<b>16,717</b>	<b>16,386</b>	<b>16,458</b>	<b>16,582</b>
<b>Exports</b>						
Brazil	33,081	30,454	41,426	40,240	41,024	41,020
Vietnam	27,550	27,900	27,400	26,400	26,850	26,650
Colombia	13,755	12,725	13,715	13,015	13,500	13,600
Indonesia	8,174	8,010	6,150	7,152	6,950	7,085
Honduras	7,175	7,225	6,910	4,900	5,575	5,575
India	6,158	6,148	5,778	5,254	5,256	5,460
Uganda	4,600	4,500	4,600	4,000	4,500	4,500
Peru	4,025	4,185	4,383	4,360	4,265	4,265
Ethiopia	3,853	3,893	4,174	4,100	4,150	4,150
Guatemala	3,330	3,465	3,604	3,205	3,404	3,404
Other	21,846	22,659	23,097	22,584	22,282	22,712
<b>Total</b>	<b>133,547</b>	<b>131,164</b>	<b>141,237</b>	<b>135,210</b>	<b>137,756</b>	<b>138,421</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

	2016/17	2017/18	2018/19	2019/20	Jun 2020/21	Dec 2020/21
<b>Bean Imports</b>						
European Union	46,050	47,430	49,075	47,150	49,500	49,000
United States	25,810	24,450	27,150	23,900	27,000	26,000
Japan	7,000	6,500	7,370	6,550	7,200	7,000
Russia	2,710	2,860	3,070	3,180	3,100	3,200
Switzerland	2,600	2,750	2,810	3,030	2,900	3,100
Canada	3,030	3,035	3,135	2,835	3,100	3,000
Korea, South	2,500	2,400	2,480	2,660	2,600	2,700
Algeria	2,165	2,270	2,300	2,000	2,200	2,200
Malaysia	1,510	1,575	1,875	1,735	1,800	1,800
Australia	1,415	1,540	1,610	1,415	1,600	1,600
Other	12,500	14,288	15,296	14,219	14,507	14,492
<b>Total</b>	<b>107,290</b>	<b>109,098</b>	<b>116,171</b>	<b>108,674</b>	<b>115,507</b>	<b>114,092</b>
<b>Roast and Ground Imports</b>						
Canada	220	285	350	480	300	500
Russia	325	390	475	430	475	475
Ukraine	260	280	360	450	400	425
United States	160	115	370	360	350	350
Korea, South	225	245	290	320	300	325
China	945	385	250	260	250	250
Vietnam	340	400	500	300	300	200
Australia	190	160	165	200	165	175
Norway	125	140	135	120	130	130
Taiwan	105	120	110	100	110	110
Other	452	470	480	527	495	485
<b>Total</b>	<b>3,347</b>	<b>2,990</b>	<b>3,485</b>	<b>3,547</b>	<b>3,275</b>	<b>3,425</b>
<b>Soluble Imports</b>						
Philippines	6,000	5,500	5,500	5,000	5,000	5,000
China	1,800	1,585	1,560	1,800	1,700	1,700
Canada	1,300	1,430	1,400	1,515	1,450	1,500
Russia	1,705	1,215	1,400	1,015	1,500	1,200
United States	500	210	500	790	400	800
Japan	925	1,140	860	630	850	700
Indonesia	391	828	983	766	800	650
Ukraine	440	425	365	400	400	400
Australia	125	200	265	345	300	325
Serbia	125	250	300	315	275	325
Other	2,649	3,168	2,962	2,860	2,881	2,906
<b>Total</b>	<b>15,960</b>	<b>15,951</b>	<b>16,095</b>	<b>15,436</b>	<b>15,556</b>	<b>15,506</b>
<b>Imports</b>						
European Union	46,050	47,430	49,075	47,150	49,500	49,000
United States	26,470	24,775	28,020	25,050	27,750	27,150
Japan	8,030	7,720	8,320	7,290	8,150	7,800
Philippines	6,420	6,100	6,100	5,670	5,600	5,700
Canada	4,550	4,750	4,885	4,830	4,850	5,000
Russia	4,740	4,465	4,945	4,625	5,075	4,875
Switzerland	2,600	2,750	2,810	3,030	2,900	3,100
Korea, South	2,725	2,645	2,770	2,980	2,900	3,025
China	3,552	2,785	2,660	2,960	2,850	2,850
Algeria	2,205	2,300	2,340	2,040	2,240	2,240
Other	19,255	22,319	23,826	22,032	22,523	22,283
<b>Total</b>	<b>126,597</b>	<b>128,039</b>	<b>135,751</b>	<b>127,657</b>	<b>134,338</b>	<b>133,023</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**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Jun 2020/21</b>	<b>Dec 2020/21</b>
<b>Domestic Consumption</b>						
European Union	42,345	45,700	46,155	45,475	46,300	45,800
United States	25,512	25,557	27,140	26,030	27,285	26,587
Brazil	21,625	22,420	23,200	23,530	23,530	23,530
Japan	8,210	8,231	7,897	7,610	8,100	7,997
Philippines	6,995	6,550	6,125	6,120	6,025	6,125
Canada	4,550	4,750	4,885	4,830	4,850	5,000
Russia	4,740	4,465	4,945	4,625	5,075	4,875
Indonesia	3,203	3,560	4,300	4,900	4,300	4,450
Ethiopia	3,100	3,150	3,193	3,140	3,400	3,400
China	3,218	3,085	3,040	3,255	3,350	3,350
Vietnam	2,770	2,880	2,940	3,100	3,200	3,250
Korea, South	2,725	2,645	2,770	2,980	2,900	3,025
Mexico	2,057	2,295	2,580	2,650	2,700	2,730
Algeria	2,205	2,300	2,340	2,040	2,240	2,240
Australia	1,730	1,900	2,040	1,960	2,065	2,100
Colombia	1,450	1,650	1,950	1,800	1,900	1,900
Switzerland	1,450	1,525	1,460	1,470	1,500	1,500
Ukraine	960	1,105	1,145	1,270	1,275	1,275
Turkey	960	860	1,210	1,215	1,225	1,210
India	1,200	1,215	1,250	1,170	1,150	1,180
Argentina	754	775	735	824	850	850
Serbia	605	725	800	805	800	850
Norway	805	740	800	795	795	830
Venezuela	1,133	1,217	1,214	956	816	816
Egypt	630	800	825	775	825	800
Other	8,960	9,650	10,017	9,516	9,828	9,728
<b>Total</b>	<b>153,892</b>	<b>159,750</b>	<b>164,956</b>	<b>162,841</b>	<b>166,284</b>	<b>165,398</b>
<b>Ending Stocks</b>						
European Union	13,900	13,500	14,300	13,500	14,500	14,500
United States	7,190	6,440	7,352	6,402	7,000	7,000
Brazil	3,828	3,115	5,056	1,853	4,786	5,270
Vietnam	1,183	763	1,983	4,483	4,933	4,133
Japan	3,305	2,794	3,217	2,897	3,000	2,700
Indonesia	12	593	2,419	2,298	2,568	2,423
Honduras	300	325	577	726	608	921
India	1,873	1,248	931	913	599	915
Philippines	400	400	800	800	800	800
Tanzania	220	290	310	280	550	550
Other	3,044	2,757	1,602	2,499	2,134	2,123
<b>Total</b>	<b>35,255</b>	<b>32,225</b>	<b>38,547</b>	<b>36,651</b>	<b>41,478</b>	<b>41,335</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.