

Futures Markets:

Arabica: NY returned to higher levels than which it started the week - speculative selling diminished and technical buying returned. The coming week will hopefully bring back a full audience to the market.

Robusta: London also drummed up a bit of a rebellion Friday but it still faltered short of the immediate 1668 resistance. Most of the spread activity was in Mar/May again, the switch came into +\$16 as the market made its lows but jumped to +\$33 in the afternoon as spec buying drove March higher. Volumes on Friday were a healthy 3,000 lots leaving little interest in Jan/Mar again.

Currency: On the FX markets, the weaker than expected UK manufacturing data saw GBP/USD drop sharply from a high of \$1.6603 to a low of \$1.6412. The US dollar also posted gains against the euro as EUR/USD dipped below the \$1.37 level to a low of \$1.3628.

Coffee Prices - Futures and Currency close levels:

| | Monday | Tuesday | Wednesday | Thursday | Friday |
|-----------------|--------|---------|-----------|----------|--------|
| NY Mar-14 c/lb | 114.70 | 110.70 | - | 111.40 | 116.35 |
| Lon Mar-14 \$/t | 1696 | 1683 | - | 1614 | 1644 |
| £/\$ | 1.6515 | 1.6565 | - | 1.6437 | 1.6428 |

Physical Markets:

Brazil: Total production for 2014/2015 is forecasted to be around 51m a drop in 9m from forecasts two months ago.

Colombia: Produced 10.9 million 60-kg bags of arabica coffee in 2013, the national growers' federation said on Friday, a 41% jump over the previous year, helped by improved weather and millions of new trees reaching productive age.

India: Coffee output in India may fall 10.23% to 311,500 tonnes in the year starting October 2013 due to untimely rains in southern Karnataka state, the major producer, the government-run Coffee Board said on Friday in its post-monsoon crop forecast.

Honduras: Exports from Honduras edged up 0.3% in December, national coffee institute Ihcafe said on Thursday, but a blight of leaf rust could still drive down the current 2013/2014 harvest.

Indonesia: Robusta coffee bean exports from Indonesia's main growing area in Sumatra climbed 17.6% to 22,425.74 tonnes in December from a year earlier, government trade data showed on Thursday. Indonesia shipped 19,071 tonnes of robusta in the same month a year earlier and 51,613.24 tonnes in November.