

PRESS RELEASE

**GREEN COFFEE PRICES.**

Green coffee prices rose at the end of a year in which they have reached the highest levels in the last 13 years, owing to a reduction in overall coffee farming. The jump in coffee futures prices in December of 2010 was based in part on storms that have caused mudslides and flooding damaging the coffee crops. Meteorologists have predicted that a La Niña weather pattern will cause more concerns well into next year, with possible significant effects on the green coffee harvest. Commodities analysts have predicted that coffee prices will remain high at least for the first half of 2011. Driving this in large part is a shortage of Arabica coffee beans leading to an imbalance in the supply and demand. The average cost of green coffee has increased by 72% in the last six months. That is a \$1.00 per pound increase. We are hoping that the increases in the costs of green coffee will stabilize and then start decreasing in the near future, but if not, then higher prices lay ahead in 2011. One market analyst said that “we expect coffee prices to remain elevated owing to a shortage of high-quality Arabica beans, a delay in harvesting, collection and distribution as a result of poor weather conditions and the low level of world coffee stocks.”

