

Producing Area	Actual	Estimated
	Registrations 54-55 Crop (1)	Production 55-56 Crop (2)
Sao Paulo	7,328,440	7,400,000
Parana	1,336,544	4,380,000
Minas Gerais	3,171,223	3,600,000
Espirite Santo	1,837,240	1,600,000
Rio de Janeiro	287,247	300,000
Bahia	185,075	160,000
Goiaz	208,454	150,000
Pernambuco	132,059	100,000
Mato Grosso	7,226	10,000
Paraiba	2,870	(3)
Total	14,496,378	17,700,000

(1) Source: Instituto Brasileiro do Cafe, Comunicado #55/27, July 6, 1955
 (2) Source: Instituto Brasileiro do Cafe, Comunicado #55/25, June 30, 1955
 (3) Not listed.

Coffee exports in recent months have followed a fluctuating pattern, as shifts in Brazil's coffee policies increased or lessened apprehension as to the future price level. Following a low of 675,045 bags in May, exports increased in June to 1,320,442 bags, the highest monthly total since November 1954. The high level of sales in June was attributed by local coffee circles to the low stock level in consuming countries rather than to any basic improvement in long term market conditions.

The recent leveling-off of prices, however, certainly had the effect of suggesting to American importers that purchases now might not be out of line with the price structure during the next few months.

Exports continued at a relatively high level during the first ten days of July despite apprehension that the elimination of the 45-day guarantee against loss resulting from a change in the coffee export bonus rate, made early in July, would return the market to a state of uncer-

tainty and produce a resulting decline in export sales. There are indications that the July export total may reach close to one million bags, provided the present shipping rate is maintained.

Supply and Stocks

The visible supply of old-crop coffee in Brazil as of July 1 was approximately seven million bags. Of this total, 3,238,927 bags were listed by the Brazilian Coffee Institute as available in ports. The exact level of government holdings remains uncertain, being somewhere between the 3.2 million bags admitted prior to termination of the purchase program and the 3.7 million bags said by local coffee circles to be on hand at the end of the crop year. Since stocks of 1954-55 crop coffee in up-country areas were reduced to a minimum as of July 1, total holdings consist almost entirely of the port stocks and the government reserve.

On the basis of an estimated carry-over of some seven million bags and the Brazilian Coffee Institute's evaluation of the 1955-56 crop as 17.7 million bags, the total supply of registered Brazilian coffee available during the year beginning July 1 should approximate 24.7 million bags.

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