

took place as announced, the prices realized ranging from 8.53c to 9.78c.

THE MARKET OUTLOOK

The present position and future outlook of the market is thus summarized by Nortz & Co.:

Spot business remains difficult. Conditions do not make for animation. Colombians are slightly firmer on rumors of navigation difficulties on the Magdalena River. On the other hand, we find that Mexican coffees can be bought at 9c while Rio 7's, on the spot, have been selling at 8½c, due to their temporary scarceness. As a matter of information, we may mention that some of the Chain Stores here have lately been selling roasted coffee at from 10 to 11c per lb. for advertising purposes. The present Mexican crop is estimated at about 700,000 bags against 400,000 bags last year. The total of the African crop is now supposed to reach 30,000 tons or about 500,000 bags.

Santos contract, type 4, is quoted here for December delivery at 7.05c—that is, at a discount of about 1¼c under March. December Rio contract is quoted at 4.90c—75 points below March. There really exists no Exchange delivery of type 7 at present, so let us assume that the price for December Rio is 6.05c for type 3 and 4. From both of the above prices, the following deductions, per pound, have to be made.

	Santos	Rio
Shipping charges and transportation in Brazil	1.—	1.—
Brazilian taxes	3.68	3.66
Freight and Insurance to New York34	.34
New York charges and Loss in Weight20	.20
	5.22	5.20
Value of December in New York	7.05	6.05 (type 34)

Therefore, at present quotations for December, the coffee planter would get \$2.55 per 100 lbs. or \$3.35 for each bag of high grade Santos coffee, less interest and other charges, and for high grade Rio coffee about \$1.10 per bag. Planters would practically have to give their coffee away, in order to sell it at our December parity. How is it then that there is not a scramble of buyers of coffee for the distant months—apparently one of the cheapest commodities in the world, but only in as far as the return to the farmer is concerned. The answer is that the present situation is the price which Brazil is now paying for entrusting her coffee policies, for the past 10 years, to some gentlemen, well intentioned enough and probably very able politicians, but with no training whatsoever in so far as international business is concerned.

A glance at the same figures will show that the present discrepancy between export taxes and the price paid to the planters cannot continue for long and that unless some change in statistical or world's conditions permit of an advance of coffee prices here Brazilian export taxes will have to come down. Is it surprising that, fully cognizant of such unsound conditions, hardly anyone in consuming countries wants to take a chance on buying coffee when any political change of personnel may bring about what necessity calls for, at any time?

What Brazil needs is a free outflow of her coffee crops into the ocean of international trading so as to dry up the swamp, and get rid of the many mosquitos which it is breeding. As stated before, we feel that in spite of temporary hardships, things will then right themselves very quickly. To our

COFFEE DESTRUCTION IN BRAZIL

Figures compiled by the New York Coffee and Sugar Exchange

Points	(In bags of 132 lbs.)			
	June, 1931	Jan. 1, 1932	Jan. 1, 1933	Total to Jan. 31, 1933
Sao Paulo		5,696,000	890,000	6,586,000
Santos	2,111,000	2,171,000	326,000	4,608,000
Rio	571,000	726,000	135,000	1,432,000
Victoria	154,000	380,000	24,000	558,000
Sundry		346,000	48,000	394,000
Total	2,836,000	9,319,000	1,423,000	*13,578,000

*Not including 479,000 destroyed prior to June, 1931, by Sao Paulo Coffee Institute.

mind, fundamental conditions will permit Brazil to adapt herself to the changes now taking place in the world's economic situation, much quicker than most other countries.

LONDON COFFEE MARKET REVIEW

Distrust of the Brazilian Position and Continental Exchange Restrictions Brought a Declining Market in February

Staff Correspondence

LONDON, February 28, 1933.

THE market ruled quiet and disappointing during February; prices showing a decline of 2 to 3 shillings per hundred weight. The bulk of the offerings were of ordinary quality.

Only small quantities of good quality have been on offer and these have met good competition. Distrust of the Brazilian position and the prevailing currency restriction on the Continent has minimized operations in all mild coffees.

London stocks in bags at end of January were as follows:

	1933	1932	1931
British East India	11,590	4,604	8,459
East Africa	95,478	34,506	57,256
Costa Rica	50,062	41,943	61,544
Guatemala	2,728	3,163	2,782
Colombia	5,425	6,004	9,021
Total	155,283	90,220	139,062

Coffee Board of Trade returns for the past three years are:

	1932	1931	1930
U. K. total imports	757,661	752,400	815,427
U. K. home consumption	333,776	339,034	324,643
U. K. exports	319,954	400,728	441,070
U. K. stocks 31st Dec.	272,000	179,000	191,000

--E. S. S.

HARBOR MINES BOOST FREIGHTS

The steamship lines issued notice on March 9th of an advance of 5 per cent in the freight rates both in and out of the port of Buenaventura, Colombia, on account of the harbor being mined in connection with the Peruvian-Colombian hostilities.