U.S. Department of Agriculture • Foreign Agricultural Service • Washington, D.C.

foreign agriculture circular

coffee

Approved by the World Agricultural Outlook Board • USDA

FCOF 2-84
July 1984

WORLD COFFEE SITUATION

SUMMARY AND OUTLOOK

USDA's current estimate of the 1984/85 world coffee crop is 91.9 million bags 1/, up 1.4 percent (1.3 million bags) from the revised estimate of 90.3 million bags for 1983/84. These figures differ from those released on June 6 because the estimates for Kenya have been revised. Exportable production--which represents total harvested production less domestic consumption in producing countries--is estimated at 70.4 million bags.

Brazil, the world's largest producer, is currently expected to harvest a 27-million-bag crop, 10 percent less than a year earlier. Production in the world's second larger producer, Colombia, will also be down, but only slightly. Colombia now holds over a year's production of coffee in stock.

During 1982/83, coffee prices were fairly stable, averaging around $1.27 per pound. However, rising coffee prices over the past six months have triggered four 1-million-bag increases in the International Coffee Organization's (ICO) global 1983/84 quota for member exporting countries. That raises the total for the year to 60.2 million bags compared to the 55.2 million bag quota in effect at the end of 1982/83. After peaking at 150.55 cents per pound on June 1, the 15 day moving average of the composite indicator price fell to 144.66 cents per pound by the end of the month. The decline may indicate that the tightness in physical supplies which has existed since the beginning of the year is easing. If the price falls to 140.00 cents it would trigger the withdrawal of the first of the four quota increases. Table 6 shows the revised annual and quarterly quotas for 1983/84.

1/ Unless indicated otherwise, production and trade figures are given in terms of 60 kilogram (132.276 lbs) bags. Area is given in hectares (2.471 acres). GBE means green bean equivalent.

While demand for coffee in both the traditional ICO member and non-member markets has been strong as evidenced by the rise in imports since January, there is no clear indication how much, if any, world consumption has risen.

The rising trend in prices has caused some concern over the ICO's ability to cope with a changing marketing situation. Outwardly at least, almost all producer and consumer countries favor a strong organization and would undertake to modify the agreement rather see it fail. The principal purpose of the agreement is to provide price stability.

Carryover stocks at the end of marketing year 1983/84 are expected to total 47.2 million bags, equal to 54 percent of annual world consumption for the year and nearly 71 percent of annual exports. Stocks are held unevenly. While some producers may have difficulties meeting their ICO quotas for the year, others, such as Colombia, Honduras, and Uganda are believed to hold about a year's reserve.

SUPPLY AND DISTRIBUTION

Exports

World coffee exports are expected to be up by 1.5 million bags during 1984/85 at 67.6 million bags. The breakdown in imports and exports among members and non-members is expected to be about as follows for 1982/83, 1983/84 and 1984/85 in millions of bags, GBE.

Exporters	Importers								
	1982/83			1983/84			1984/85		
	Member	Non-members	Total	Members	Non-members	Total	Members	Non-members	Total
Members......	54.5	0.4	64.9	57.1	8.6	65.7	58.7	8.7	67.4
Non-members..	.2	.2	.4	.3	.1	.4	.1	.1	.2
Total........	54.7	10.6	65.3	57.4	8.7	66.1	58.8	8.8	67.6

Exports of coffee by members of the ICO during the October 1983/May 1984 period of coffee year 1983/84 totaled 38.4 million bags, compared with 36.5 million bags for a similar period in 1982/83. Exports to importing members were higher than for any similar period since the reintroduction of export quotas in 1980. Exports to non-members for the first eight months of the current coffee year amounted to 6.1 million bags, down 100,000 bags from 1982/83. The remaining export quotas for the June/September period this year total almost 22 million bags, well above the 18.3 million which remained for the final four months of the past two years.

Consumption

After declining by 550,000 bags between crop years 1981/82 and 1982/83, coffee consumption in producing countries is forecast to grow by 830,000 bags in 1983/84 and an additional 300,000 bags in 1984/85. An estimated 23.6 percent of the 1984/85 world coffee crop will be consumed in producing countries, down slightly from 23.8 percent of the 1983/84 harvest. Green coffee imports by importing members of the ICO are expected to total 57.4 million bags including 2.6 million bags from smaller producing members exempt from basic quotas and 300,000 from ICO non-members.

The following tabulation shows the trend in green coffee imports of selected consuming countries over the past two calendar years:

Country	1982	1983	Percent Change
United States	17,415,618	16,448,526	-5.6
West Germany	7,428,171	7,404,580	-0.3
France	5,248,163	5,280,150	+0.6
Italy	4,097,661	4,102,525	+0.1
Japan	3,093,938	3,400,196	+9.9
Netherlands	2,155,709	2,294,079	+6.4
Sweden	1,569,200	1,569,217	+0.8
United Kingdom	1,503,657	1,565,830	+4.1
Belguim/Luxembourg	1,452,693	1,448,038	+0.3
Canada	1,343,036	1,384,203	+3.1
Finland	1,073,251	1,050,357	-2.1
Switzerland	951,597	996,138	+8.8
Denmark	913,842	818,648	-10.4
Austria	864,817	1,031,243	+19.2
Norway	651,297	686,340	+5.4
Total	49,762,650	49,480,070	-0.6

SOURCE: Official statistics and trade sources

Stocks

World coffee stocks in producing countries are expected to increase by about 3.2 million bags between 1983/84 and 1984/85 reaching nearly 50.4 million bags by the end of the latter year. In all cases the stock figures are gross and may therefore contain substantial quantities of non-exportable quality coffee. It is possible that up to 5 million bags or about 10 percent of the stocks at the end of 1983/84 are non-exportable quality. The general practice is to pass non-exportable stocks on to the domestic market although poor quality stocks may occassionally be destroyed. It is expectated that the ICO Council, at its September meeting, will attempt to make the stock verifications process more useful by more clearly identifying the quality of the stocks each country is holding.

Approximately three-quarters of the stocks carried over from the 1983/84 marketing year will be of Arabica type coffee. Nearly two-thirds of the Arabica stocks are held in South America whereas Africa holds about the same proportion of total Robusta stocks.

Inventories of green coffee in major importing countries declined by nearly 50 percent over the past three years, from about 8.5 million bags at the end of September 1980 to 4.3 million bags at the end of September 1983. There is no indication that this trend, which is closely tied to high interest rates, has been altered.

U.S. SITUATION

U.S. Imports and Roastings

Imports of green coffee during October-May 1983/84 totaled 12.2 million bags, or about 200,000 bags more than the 12.0 million bags imported during the first eight months of 1982/83. The value of these imports rose from $1.87 billion in 1982/83 to $2.05 billion in 1983/84. Roasted/ground and soluble coffees added the green bean equivalent of 171,000 and 880,000 bags, respectively, for October-May 1983/84 compared to 166,000 and 781,000 bags the year earlier.

According to a representative group of roasters, green coffee roasted through June 23, 1984, totaled about 8.025 million bags, up 4.6 percent from the comparable period last year, and 0.4 percent from 1982 (Table 10). The U.S. coffee trade hopes the higher level of roasting is an indication that the longer term trend towards declining consumption has been broken.

U.S. Prices

Higher green coffee import prices have resulted in a number of upward adjustments in the wholesale prices for ground/roast and instant coffees in the United States (Table 11). To some extent these increases have been passed on to consumers. The average monthly retail prices of ground/roast coffee in the United States in May 1984 was $2.61 per pound packed in 13.1 to 20 oz. cans, up 8.4 cents from the May 1983 average. Spray dried instant coffee packed in 6.1 to 14 oz. jars retailed for an average of $6.84 per pound in May 1984, down from $6.89 per pound in January; freeze dried instant packed in all sized jars rose from $10.87 per pound in January 1984 to $11.42 per pound in May 1984.

INTERNATIONAL COFFEE ORGANIZATION

A special meeting of the ICO Executive Board was held June 4-5, 1984 to discuss the market situation. Producers and consumers alike were concerned that a continued rise in prices would jeopardize the future of the ICO. Four quota increases of 1 million bags each had failed to dampen the price rise giving the appearance that prices had no relation to overall supply. Actually, the price rises reflected the prospect of a frost in Brazil, West African crop shortfalls, and the poor quality of last year's Brazilian and West African crops. At the meeting the board decided on the immediate release of the April/June quarter's final 1-million bags originally scheduled for June 15. It also decided on the immediate release of the fourth (July/September) quarter quota except for two million bags which would be held in reserve against the possibility of two quota cuts should prices fall.

These measures appeared to have the desired effect as the 15-day moving average of the composite indicator price declined below 150.075 cents per pound on June 7, breaking the 45-day countdown to a possible suspension of export quotas. If the board agrees, quotas could still be suspended if the 15-day moving average indicator price rises 3.5 percent or more above $1.45 per pound and remains there for 30 consecutive market days.

Cuba and Zambia have applied for membership in the ICO as exporters. Cuba's production is normally between 300,000 and 400,000 bags annually and it is both an importer and an exporter. The importation of lower quality coffees for domestic comsumption enables it to export its own higher quality coffee mainly to Eastern Europe and the Soviet Union. Zambia produces less than 3,000 bags per year. If both countries join, exporting country membership would rise to 50. There are 25 importing members.

Prices

Composite Indicator Prices (CIP) for January-June 1984 are shown in Table 5. Prices are currently outside the CIP price range of $1.20 to $1.40 per pound preferred by a majority of the producer and consumer members of the ICO. While higher prices benefit producers in the short run, they could lead to suspension of export quotas or a reaction by consumers. Consumption has never been closely tied to price, but consumers will react to rapid rises as evidenced by the reduced consumption which occurred when prices reached record levels after the severe coffee frost of 1975 in Brazil. While coffee prices have declined somewhat from their recent peak on June 1, they are unlikely to decline appreciably until the threat of a mid-year frost in Brazil is past.

Sales to Non-Members

Most government and trade officials involved with international coffee trade believed that by tightening controls, the flow of coffee to non-members would be reduced since there would be less chance for it to pass to member importing countries. A reduction occurred between 1982/83 and 1983/84 but it has been less than expected indicating that non-member countries, mainly in the Middle East, USSR and Eastern Europe have taken advantage of the lower prices to increase consumption.

The difference in sales prices between member and non-member markets remains substantial, creating a two-tier market. Consuming countries of the ICO are concerned that member country sales to non-members are at only about half as much as they are paying. Since ICO members are not forbidden to sell at less than market levels, prices are driven down by competition among exporting members who feel they must seek additional sales for financial reasons or because their stocks have grown to unmanageable levels. Non-member sales often occur at below cost and must be subsidized.

Over the past several months representatives from the major Latin American producing countries have met to study the idea of placing an adjustable floor price on sales to non-members. Coffee producers outside of Latin America have been asked to participate and some have indicated their interest. A comparision of non-member sales by country for the period October through April for the past several years appears in Table 8.

Undershipments

The problem of steadily rising prices has also been credited to the activities of speculators in the futures markets where world coffee prices are largely set. However, the real problem in recent months, prior to the current Brazilian frost concern, more nearly reflects the large volume of undershipments by a number of major exporting countries. Undershipments for basic quota countries during the October-March period of coffee year 1983/84 totaled about 2.3 million bags compared to only 500,000 bags for the same period last year and just over 1.0 million bags in 1981/82. Brazil and Colombia undershipped by the largest absolute amounts at 694,000 and 272,000 bags respectively as of the end of March. Over the past several weeks the Brazilian Coffee Institute (IBC) has taken a number of new marketing measures to reactivate the flow of Brazilian coffee including a reduction of the export tax by $10 per bag and a seven percent discount to foreign buyers who exceed normal purchases by at least 25 percent in volume during the April/June quarter. Even if Brazil's efforts to increase sales from last year's poor quality crop fall short, Brazil should be able to draw on its 1984 harvest beginning this month to fill its 1983/84 quota. Colombia indicates that shipments have been stepped up now that technical problems have been resolved.

India, Indonesia, Papua New Guinea, Nicaragua, Philippines, and Ivory Coast were also undershipped by substantial margins as of March 31. Nearly all of these countries have indicated their intention to fulfill their quota and are believed to have adequate stocks of quality coffee to do so. Some of these countries may have undershipped because there is no obligation to ship their entire quota each quarter. Undershipments are also said to have occurred for commercial reasons, delays in the distribution of quota stamps, labor and transport problems, etc.

PRODUCTION AND TRADE IN SELECTED COUNTRIES

North America, Central America, and the Caribbean

Coffee production in North and Central America and the Caribbean is forecast 16.7 million bags for 1984/85, up 9 percent from the previous year. Exportable production is estimated at 12.6 million bags. All major producing countries, except Haiti are expecting increases.

In Costa Rica coffee production may reach 2.3 million bags in 1984/85 up from 2.07 million bags in 1983/84 and about equal to the record crop of 1982/83. The large crop is attributable to good weather and to higher yields from areas replanted several years ago with proven varieties at greater density. Partially offsetting these gains is the prospect of some reduction in output in the Central Valley due to coffee rust. Despite the cost, most Costa Rican producers are likely to apply the necessary rust controlling fumigants on their technologically advanced but small coffee plantations. The experimental stations in Heredia and Turrialba are continuing their work on rust-resistant varieties which should soon be made available to plantation owners.

Export contracts registered for the 1983/84 coffee crop through April 30 were reported to total about 950,000 bags, down 8 percent a year earlier. For the complete October-September marketing year, exports are forecast at about 1.8 million bags including over 600,000 bags to ICO non-members. In 1983/84 non-ICO sales through April 30 returned an average of $1.12 per kilogram compared to $2.56 per kilogram for sales to quota markets. Even though the non-member price is not attractive, sales to these markets are believed necessary for financial reasons and to prevent the buildup of excess stocks. Coffee was sold at auction for domestic consumption during the October-April period at an average of 57 cents per kilogram.

The Dominican Republic's 1984/85 coffee harvest is forecast at 900,000 bags, up 100,000 bags from the 1983/84 figure due to the cyclical pattern of coffee production. There are an estimated 120,000 hectares of land planted primarily to coffee in the Dominican Republic. Many of the coffee trees are grown in a semi-wild state in extremely mountainous terrain, with minimum care. Up to 80 percent of the trees are 100 or more years old with yields as low as 50-100 kgs. per hectare. In an effort to increase yields the Government is encouraging the planting of higher yielding caturra varieties at greater density along with the use of improved cultural practices. Some improvements have been noted among the larger coffee producers who have obtained government subsidized seedlings at 5 cents per tree along with grower credit and technical assistance. The Dominican single price system for all coffee fails to provide any incentive for growers to improve crop quality.

Coffee production in El Salvador in 1984/85 is estimated at 2.5 million bags, up 11 percent from the current estimate for 1983/84. The upturn may have broken the pattern of decline underway since the record crop of 3.4 million bags in 1978/79. In large part the decline was due to the uncertainty caused by the proposal to implement Phase II of the land reform program on coffee holdings within the 100 to 500 hectare range. As a result, private farm owners affected by this proposal did not maintain their coffee farms. Their outlook changed in December 1983 with the approval of a new constitution severely limiting further expropriations. However, harvests in the eastern zones where about 20 percent of the crop is harvested are limited by the alternate occupation of plantation areas by the insurgents and the army and by attempts to achieve higher wage scales for the migrant workers who pick the crop. Because of the stronger international coffee prices this year grower returns have been increased from the equivalent of 60 to 72 cents per pound. However, the cost of growing coffee has been estimated at 80 to 86 cents per pound. Few new trees have been planted since the land reform program began in 1979. About 6 percent of the land area should be replanted each year to sustain output. In order to reverse the current trends the government is considering: (1) decentralizing exporting currently under control of The Coffee Institute (INCAFE) (2) replacing export taxes with a levy on net revenues, (3) providing a more favorable exchange rate for coffee exports and (4) renegotiating coffee grower debts.

Coffee exports during 1983/84 and 1984/85 are expected to remain more or less unchanged at between 2.7 and 2.8 million bags. This would allow for up to 20 percent of total exports to go to non-ICO markets. Any shortfalls in current production could be made up from stocks which totaled more than 1.6 million bags on October 1, 1983.

Coffee production in Guatemala may reach 2.63 million bags in 1984/85 (October/September), up from 2.34 million bags in 1983/84. The production increase is largely cyclical. However, since 1982, many coffee areas have been cleared of insurgent activity and renewal efforts are underway. Traditional varieties are being replaced by high density plantings of newer varieties. Output from new plantations could nearly double the current 30 bag per hectare output from a well managed plantation. Although the newer varieties bear earlier, their profitable bearing life is only 8 to 12 years.

Guatemala's 1984/85 exports are expected to remain unchanged from 1983/84 at about 2.0 to 2.1 million bags. Coffee exporters have so far severely restricted their sales to low-priced non-ICO markets.

Haiti's 1984/85 coffee crop is estimated at 625,000 bags, down 5.3 percent from 1983/84 outturn. Exports from the 1983/84 harvest were expected to total about 410,000 bags during the July/June marketing year. The estimate may not be reached if, as reported, sizeable quantities of coffee have been smuggled into the Dominican Republic from Haitian areas near the border.

Production of coffee in Honduras in 1984/85 (October/September) is forecast at 1.6 million bags, up 50,000 bags from 1983/84. At latest report, early season rains were reported good and the flowering was progressing well for the new crop. Exports are expected to be somewhat lower in 1983/84 than the 1.24 million bags exported in 1982/83, reflecting a lower sales level anticipated to non-ICO markets. Whereas Honduras exported approximately 480,000 bags to non-ICO markets in 1982/83, exports to these markets this season totaled only 38,000 bags as of May 1984. Stocks are expected to rise to a record high level exceeding 1.3 million bags by September 30, 1985.

Mexico's 1984/85 (October/September) coffee harvest is estimated at 4.3 million bags, up 100,000 bags from the current estimate for the 1983/84 season. Below normal rainfall in April 1984, during the flowering season, will limit the improvement over the weather reduced 1983/84 crop. Although the potential exists, there is no major expansion in area underway in Mexico and yields remain reduced because of the increased cost of inputs.

Exports in 1983/84 are now expected to reach 2.7 million bags including 700,000 bags to ICO non-members, well below the 1.2 million bags sold to non-quota markets in 1982/83. Coffee exports are controlled by the Mexican Coffee Institute (INMECAFE), in part to assure adequate supplies to the domestic market. At present, exporters who sell to non-quota countries receive 69.95 pesos (39.30 cents) per pound compensation from a fund generated from export sales to quota markets.

In Nicaragua, coffee production could rebound from a very bad harvest in 1983/84 (October/September) to at least 900,000 bags in 1984/85. A cyclical decline, a delayed rainy season, and a scarcity of inputs contributed to the short 1983/84 crop.

According to some sources, Nicaragua is heavily committed to the exchange of coffee for a wide variety of Easten European and Soviet goods and services. If this is the case, Nicaragua may have difficulty meeting its ICO quota for member countries. As of the end of March 1984, Nicaraguan shipments were 36 percent below quota, the highest level of any major coffee exporting country in the ICO.

South America

Coffee production in South America in 1984/85 is estimated at 44.0 million bags, down 7 percent from 1983/84 because of a smaller Brazilian harvest.

Brazil's 1984/85 (July/June) coffee harvest is estimated at 27 million bags. In Parana state the crop has developed slightly better than expectations reflecting favorable rainfall distribution and adequate management since last February. In Sao Paulo and Southwest Minas Gerais most coffee trees held less than half their normal load of cherries as a result of losses caused by the heavy rains which fell just after the major flowering period. As a result, there were signs of irregular growth of the coffee cherries which indicate a possible reduction in the dehusking yields. The crop in these areas ripened about a month earlier than usual. Coffee trees in both states show excellent vegetative growth indicating a good production potential for the 1985 (1985/86) harvest.

Based on field observations of tree conditions, flowering, and berry load, the breakdown of the 1984/85 crop estimate by principal producing states is as follows:

State	Million bags
Parana	6.0-6.3
Sao Paulo	7.0-7.2
Minas Gerais	6.5-7.0
Espirito Santo	4.0-4.5
Other States	2.5-3.0
Total	26.0-28.0

Brazil produces primarily Arabica coffee but the production estimate for the state of Espirito Santo includes 1.9-2.1 million bags of Robusta coffeee. The 1984/85 harvest will be well below the 33 to 35 million bags the Brazilian Coffee Institute (IBC) regards as the country's present production potential and only about equal to the annual domestic and export demand, leaving little for desired stock-building.

The 1983/84 Brazilian crop of 30.0 million bags, combined with carrying stocks of 5.93 million bags, provided more than adequate supplies. However, rains during the harvest season seriously reduced the availability of good cup quality beans and significantly raised the price. Brazil has been unable to find markets for its poor cup quality coffee at acceptable prices and had fallen nearly 700,000 bags below its authorized ICO export quota for 1983/84 by the end of March 1984. If a substantial portion of the 1984/85 harvest is of good cup quantity the IBC may be able to blend the remaining stocks of low quality 1983/84 coffee in order to meet its ICO quota for 1983/84.

At 12.8 million bags, Colombia's 1984/85 (October/September) harvest will be down slightly from the current 13.0 million bag estimate for 1983/84. The Coffee Growers Federation (CGF) has begun a campaign to curtail production on some plantations and increase productivity on others. The CGF also has a diversification program which encourages coffee growers with small land holdings but abundant family labor to switch from coffee to dairy, citrus, honey, silk, or cocoa production to create new income sources.

According to information from the Central Bank, financing for coffee production declined nearly 23 percent in terms of pesos between 1982 and 1983 and even more in terms of the U.S. dollar equivalent. On the other hand, fertilizer sales by the CGF showed a 6 percent increase in volume for the same period.

The official support price for 125 kilograms of parchment (green beans which still retain their protective coating or hull) coffee was increased from 14,800 pesos to 15,200 pesos on May 12 (from $152.31 to $156.43 at the current rate of exchange). During the current marketing year the support price has been increased by 9.4 percent as part of the government's efforts to maintain the grower's purchasing power when market conditions make this possible.

At the same time the National Coffee Committee authorized a 6-percent increase in the retention tax, which is the amount of excelso (export quality parchment) delivered to the coffee fund for each 70-kg of green coffee exported. Coffee collected through the retention system is used for the domestic market and for sales to markets outside the ICO. Finally the Monetary Board increased the repatriation requirement (amount of dollars the exporter must surrender to the National Bank) from $206 to $209 per 70 kg bag exported.

Officially, coffee exports amounted to 4.3 million bags during the first 6 months of the current marketing year (October 1, 1983 - March 30, 1984). Sales to ICO members accounted for 94.4 percent of the total. Exports to ICO members rose from calendar 1982 to 1983 while exports to non-members declined.

COLOMBIA: COFFEE EXPORTS BY COUNTRY OR AREA, CALENDAR YEARS 1979-83
(1,000 bags of 60 kg each)

Destination	1979	1980	1981	1982	1983
ICO Markets					
United States..........	3,830	3,173	1,817	1,804	1,898
European Community.....	4,368	4,832	4,640	4,375	4,653
Other Countries........	2,264	2,141	1,978	1,777	1,904
Total ICO............	10,462	10,146	8,435	7,956	8,455
Non Quota Markets........	669	957	623	902	755
Total Exports........	11,131	11,103	9,058	8,858	9,210

Ending stocks have continued to rise, even though production is decreasing. Between 1983/84 and 1984/85 stocks are expected to rise by more than 1.2 million bags adding to more than a year's production already in storage. Stock financing continues to be a heavy burden for the National Coffee Fund.

The 1984/85 (April/March) Ecuadorean coffee harvest is placed at 1.5 million bags, 9 percent more than in 1983/84. Arabica production is expected to rebound from the substantial decreases of 1982/83 and 1983/84 both in quantity and quality, caused by the excessively heavy "El Nino" rains. Generous moisture reserves helped maintain the normal supply of Robusta.

Coffee exports are expected to return to a more normal level of between 1.4 and 1.5 million bags, up more than 100,000 bags from the 1983/84 level which was reduced because of transportation bottlenecks caused by "El Nino" flooding. By restricting exports to non-members during the first two quarters of the 1983/84 coffee year (October/March) and by drawing on its large stocks (960,000 bags on April 1, 1983) Ecuador was able to fill most of its ICO quota for this period. The United States is Ecuador's principal ICO market taking about 70 percent of the total export quantity to these markets. Non-member markets include Poland, Czechoslovakia, Morocco, South Africa, Chile, and Argentina.

Africa

African coffee production for 1984/85 is forecast to increase by 8 percent to 20.7 million bags. The major change is in the Ivory Coast where production will rise 2.0 million bags.

Cameroon's coffee production fell from a record 2.1 million bags in 1982/83 (October/September) to an estimated 1.35 million bags in 1983/84 due to the 1983 drought which greatly accentuated the off year in the normal production cycle. Exports are expected to drop only slightly to 1.6 million bags as Cameroon can easily meet its ICO quota by drawing down on stocks. With the effect of the drought largely past, coffee production is expected to return to a more normal 2.0-million bag level during 1984/85.

As a result of good rainfall in the coffee growing areas, the Ivory Coast could harvest a crop of at least 5.0 million bags during 1984/85 (October/September). Field reports of the flowering period and resultant bean formation are encouraging.

Further expansion of the area in Robusta coffee has now been halted except for a single 1,200-hectare project in Buyo in the Center West. Beginning this year, of SATMACI, the government agency responsible for promoting coffee in growing regions, will focus on increasing yields and crop quality on existing plantations. To offset the aging of existing plantations, the area covered by the regeneration program started by SATMACI in 1980 will be raised to 20,000-22,500 hectares in 1984, up from 15,000 hectares in 1983, and 7,000 hectares in 1982.

Ivorian coffee exports fell 109,000 bags short of the ICO authorization for the October 1983-March 1984 period. As a result of last year's weather, the country apparently does not have an adequate supply of export quality beans in stock to easily meet its ICO export quota for the year.

Production of coffee in Kenya is expected to decline from over 2.1 million bags in 1983/84 to about 1.1 million bags in 1984/85. Dry weather and drought conditions have seriously affected flowering and berry development of the 1984/85 crop. At 2.1 million bags, the 1983/84 harvest was nearly 40 percent greater than in 1982/83 and much higher than forecast earlier in the year. The increase can be attributed to favorable weather, complemented by the cyclical pattern of production, the large numbers of young coffee trees now coming into bearing, a ban on interplanting coffee with food crops, the prompt payment of higher producer prices, and the reintroduction of adequate credit which contributed to higher fertilizer usage.

Beginning stocks of over 1.4 million bags should permit Kenyan exports of 1.6 million bags in 1984/85, up slightly from the 1.5 million bags estimated for 1983/84. Sales to non-quota markets are expected to total only about 135,000 bags because of the reduced availability of lower quality coffees for this market and a reluctance on the part of the Coffee Board to sell higher quality coffee at low prices. Kenya continues to press the ICO to establish selective pricing on the basis of quality, and a separate index price and export system for high quality coffee.

Improved weather conditions in Tanzania are expected to boost the 1984/85 (July/June) coffee harvest to 1.07 million bags, 7 percent above last year's production. Dryer than normal weather in the first half of the current year in the main coffee growing areas of Kilimanjaro, Arusha, and Mbeya reduced coffee yields.

Tanzania's coffee production is suffering from a severe contraint on foreign exchange which limits the amount of fertilizer, pesticides, fuel, and spare parts which can be imported. The situation was aggravated in 1983/84 by a serious outbreak of coffee berry disease in northern production areas. The lack of fuel and spare parts has delayed processing--an important factor in the decline of Tanzania's coffee quality in recent years. The government announced a 40-percent increase in producer prices for coffee in 1983/84 but the positive effect of this increase was wiped out by delayed farm payments.

Transportation problems have limited Tanzanian coffee exports in recent years. A marginal increase in exports is projected for 1984/85. In addition to filling its ICO quota, Tanzania plans to export about 300,000 bags to non-member countries led by Algeria, Czechoslovakia, and Poland.

The Government of Zaire had set a production goal of 1.5 million bags for 1984/85 (October/September) and with favorable weather, production for the year could reach or exceed this target.

Preliminary data on Zaire's coffee production indicates a slight rise in the output from the 1983/84 crop over the weather reduced 1982/83 crop. Zairian exports, at 1.15 million bags, are expected to total marginally lower in 1984/85 than in 1983/84. Nearly all sales are to ICO member countries. Because of concern for potential fraud and a failure to comply with government regulations, Zairian offícals recently removed the names of 20 firms from the list of those eligible to export.

Asia and Oceania

Production of coffee in Asia and Oceania in 1984/85 is estimated at 10.5 million bags, compared with 8.9 million bags in 1983/84. Exportable production will be up from 6.0 million bags to 7.4 million bags.

Based on a good flowering followed by adequate shower activity in the growing areas during February and March 1984, India should harvest a record 2.65 million bags of coffee in 1984/85 (October/September). The monsoon which began in June will further determine the size of the new crop. Indications are the harvest may begin in January 1985, somewhat earlier than normal. The 1984/85 harvest is expected to be composed of 1.4 million bags of Arabica and 1.25 million bags of Robusta.

The severe dry spell which occurred from November 1982 until the end of April 1983 severely stressed India's coffee trees. As a result, coffee production in 1983/84 may amount to only 1.55 million bags compared to 2.13 million bags harvested a year earlier. Robusta trees were more seriously affected with losses of up to 60 percent of the crop possible. Domestic consumption is increasing steadily and is placed at 1.0 million bags in 1984/85 compared to 950,000 bags this year.

Coffee trade is two-dimensional in India--for local consumption and for export. Export coffee is sold through open auctions held 2 or 3 times a month throughout the year. Exports for the 1983/84 season are projected at 1.0 million bags, compared to the 1.14 million bags shipped last year. If India is successful in its efforts to boost exports to non-member (ICO) countries, especially in Southeast Asia and the Far East, exports of coffee could reach 1.5 million bags in 1984/85. The USSR, India's largest coffee market, has agreed to buy 500,000 bags of green coffee this year at a 38 percent discount and 500 tons of instant coffee under a bilateral trade agreement between the two countries. By September 30, 1984, carryover stocks will fall to about 580,000 bags--the lowest in years--versus 980,000 bags at the end of last year. Almost all stocks are held by the Coffee Board.

Coffee production in Indonesia in 1983/84 (April/March) totaled at 4.75 million bags, up 4.4 percent from 1982/83, due to higher yields. The effects of the long drought of 1982 which reduced the 1982/83 and 1983/84 crops are still evident in 1984/85 and will hold output to 5.25 million bags, somewhat below the levels attained in 1980/81 and 1981/82. According to data from the

Department of Agriculture and the Central Bureau of Statistics, planted area was reduced in 1982/83 but expanded in 1983/84 and 1984/85. Further significant expansion in the near term is not likely.

At 300-400 kg/hectare for smallholders and 600-700 kg/hectare on plantations, yields are still below those in most other coffee producing countries. Yields and quality may improve as growers change their crop management, harvesting and processing methods in order to accommodate the new grading system now being imposed by the government.

Domestic coffee consumption is quite low, leaving an estimated 75-80 percent of each year's crop available for export. Indonesian exports have increased slightly over the past several years, mainly to non-member (ICO) countries. The United States is the largest buyer of Indonesian coffee, taking 1.1 million bags of the 4 million bags exported during calendar 1983. Due to the increased domestic usage and exports, stocks are expected to remain relatively unchanged during 1984/85 at about 1.35 million bags to 1.20 million bags.

Coffee production in Papua New Guinea in 1984/85 (July/June) is forecast 5 percent higher than in 1983/84 and should reach 1.0 million bags for the first time. The forecast growth in production will come from recent plantings which have been at higher density as total crop area has been held fairly static. Crop quality should be good, although unseasonable rains have occurred in some areas which could affect pollination and lead to minor problems such as greenscale.

Exports in 1984/85 are expected to reach nearly 1.0 million bags, up from 964,000 bags in 1983/84. In an effort to boost its 1984/85 export quota, exports were restricted for several months prior to stock verification on March 31, 1984. The proportion of exports sold to non-members (ICO) increased from 20 percent in 1982/83 to 22 percent in 1983/84. Growers still receive a subsidy for non-member sales but the subsidy has been suspended for ICO member countries because of the higher export prices. Sales to non-members are a matter of government policy since increased sales at subsidized prices are preferred over increased storage costs and the risk of quality loss.

This circular was prepared by C. Milton Anderson, Horticultural and Tropical Products Division, FAS. Telephone (202) 447-2252. For further information on production estimates contact Frank Hokana of the Foreign Production Estimate Division, FAS. Telephone (202) 382-8878.

TABLE 1

COFFEE, GREEN: TOTAL PRODUCTION IN SPECIFIED COUNTRIES - AVERAGE 1975/76-1979/80, ANNUAL 1980/81-1984/85
(IN THOUSANDS OF 60 KILO BAGS, 2/

REGION AND COUNTRY	AVERAGE 1975/76-1979/80	1980/81	1981/82	1982/83	1983/84	1984/85
NORTH AMERICA:						
COSTA RICA	1,465	2,140	1,782	2,300	2,070	2,300
CUBA	319	344	383	350	360	375
DOMINICAN REPUBLIC	906	1,112	850	1,100	800	900
EL SALVADOR	2,837	2,940	2,886	2,671	2,253	2,500
GUATEMALA	2,454	2,702	2,653	2,543	2,340	2,630
HAITI	538	465	494	674	660	625
HONDURAS	969	1,265	1,200	1,800	1,550	1,600
JAMAICA	24	20	23	30	33	40
MEXICO	3,698	3,862	3,900	4,600	4,200	4,300
NICARAGUA	926	933	950	1,257	710	1,000
PANAMA	92	142	120	151	143	150
TRINIDAD-TOBAGO	44	46	44	23	30	30
UNITED STATES	188	243	211	267	195	229
TOTAL NORTH AMERICA	14,460	16,214	15,496	17,766	15,344	16,679
SOUTH AMERICA:						
BOLIVIA	120	145	135	155	150	160
BRAZIL	18,360	21,500	33,000	17,750	30,000	27,000
COLOMBIA	10,832	13,500	14,342	13,300	13,000	12,800
ECUADOR	1,463	1,517	1,792	1,800	1,380	1,500
GUYANA	18	26	26	25	25	25
PARAGUAY	81	130	229	271	280	300
PERU	1,055	1,170	1,100	1,100	1,200	1,150
VENEZUELA	936	1,109	1,107	1,038	1,150	1,100
TOTAL SOUTH AMERICA	32,866	39,097	51,731	35,439	47,185	44,035
AFRICA:						
ANGOLA	781	586	392	330	260	300
BENIN	9	36	37	50	55	50
BURUNDI	355	315	730	359	550	500
CAMEROON	1,490	1,959	1,953	2,100	1,350	2,000
CENTRAL AFRICAN REPUBLIC	168	277	284	316	150	250
CONGO, BRAZZAVILLE	51	40	36	32	35	40
EQUATORIAL GUINEA	13	15	20	25	30	35
ETHIOPIA	2,973	3,264	3,212	3,738	3,350	3,000
GABON	5	8	15	29	35	40
GHANA	45	27	35	23	25	25
GUINEA	67	112	64	65	60	70
IVORY COAST	4,394	6,090	4,160	4,120	3,000	5,000
KENYA	1,424	1,701	1,489	1,534	2,123	1,100
LIBERIA	139	147	165	159	135	155
MADAGASCAR	1,125	1,150	1,305	1,000	1,300	1,200
MALAWI	3	7	10	16	27	35
NIGERIA	53	52	52	45	42	40
RWANDA	428	506	502	377	480	500
SIERRA LEONE	142	157	179	235	195	185
TANZANIA	843	1,060	959	1,033	997	1,070
TOGO	139	165	225	284	275	280
UGANDA	2,180	2,133	2,885	3,200	3,100	3,100
ZAIRE (CONGO,K)	1,245	1,526	1,425	1,354	1,480	1,550
ZIMBABWE	74	94	82	117	147	180
TOTAL AFRICA	18,147	21,427	20,216	20,541	19,201	20,705
ASIA:						
INDIA	1,924	1,977	2,540	2,130	1,550	2,650
INDONESIA	4,017	5,365	5,785	4,546	4,747	5,250
MALAYSIA	134	139	148	159	163	180
PHILIPPINES	618	944	1,067	1,218	1,112	1,000
THAILAND	120	201	277	327	300	325
VIETNAM	65	70	60	60	60	60
YEMEN, ARAB REP	48	57	55	50	50	50
TOTAL ASIA	6,926	8,753	9,932	8,490	7,982	9,515
OCEANIA:						
NEW CALEDONIA	9	10	10	10	10	10
PAPUA NEW GUINEA	725	853	680	891	950	1,000
TOTAL OCEANIA	734	863	690	901	960	1,010
WORLD TOTAL	73,134	86,354	98,065	83,137	90,672	91,944

1/ Coffee marketing year begins about October in some countries and April or July in others. 2/ 132.276 pounds.

NOTE: Production estimates for some countries include cross-border movements.

SOURCE: Prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

July 1984

Foreign Production Estimates Division, FAS/USDA

TABLE 2

COFFEE, GREEN: EXPORTABLE PRODUCTION IN SPECIFIED COUTRIES - AVERAGE 1975/76-1979/80, ANNUAL 1980/81-1984/1985
(IN THOUSANDS OF 60 KILO BAGS, 2/)

REGION AND COUNTRY	AVERAGE 1975/76-1979/80	1980/81	1981/82	1982/83	1983/84	1984/85
NORTH AMERICA:						
COSTA RICA	1,272	1,932	1,539	2,077	1,837	2,067
CUBA	--	--	--	--	--	--
DOMINICAN REPUBLIC	633	822	555	800	498	595
EL SALVADOR	2,647	2,740	2,686	2,471	2,053	2,300
GUATEMALA	2,151	2,381	2,328	2,208	2,000	2,290
HAITI	320	240	264	434	415	375
HONDURAS	862	1,149	1,080	1,676	1,422	1,468
JAMAICA	13	8	11	18	21	27
MEXICO	2,309	2,362	2,450	2,900	2,450	2,500
NICARAGUA	846	849	855	1,157	610	900
PANAMA	26	77	54	85	76	82
TRINIDAD-TOBAGO	30	24	26	3	10	9
UNITED STATES	--	--	--	--	--	--
TOTAL NORTH AMERICA	11,109	12,584	11,848	13,829	11,392	12,613
SOUTH AMERICA:						
BOLIVIA	89	111	100	119	115	123
BRAZIL	10,560	13,500	24,500	9,750	21,500	18,500
COLOMBIA	9,286	11,675	12,492	11,445	11,140	10,935
ECUADOR	1,273	1,297	1,562	1,560	1,130	1,240
GUYANA	--	3	3	3	3	3
PARAGUAY	60	108	207	248	257	277
PERU	805	929	842	840	943	890
VENEZUELA	164	19	--	58	150	50
TOTAL SOUTH AMERICA	22,238	27,642	39,706	24,023	35,238	32,018
AFRICA:						
ANGOLA	732	545	350	287	216	255
BENIN	8	35	36	49	54	49
BURUNDI	352	312	727	356	547	497
CAMEROON	1,462	1,926	1,918	2,065	1,315	1,965
CENTRAL AFRICAN REPUBLIC	156	260	266	298	137	235
CONGO, BRAZZAVILLE	50	39	35	31	34	39
EQUATORIAL GUINEA	3	--	--	5	15	20
ETHIOPIA	1,280	1,664	1,596	2,108	1,700	1,335
GABON	4	7	14	28	34	39
GHANA	34	23	31	18	20	20
GUINEA	61	106	58	59	54	64
IVORY COAST	4,312	6,026	4,095	4,052	2,930	4,930
KENYA	1,377	1,648	1,434	1,501	2,088	1,064
LIBERIA	133	141	159	153	129	148
MADAGASCAR	982	984	1,132	823	1,120	1,017
MALAWI	3	7	10	16	27	35
NIGERIA	--	--	--	--	--	--
RWANDA	426	504	500	375	478	498
SIERRA LEONE	137	152	174	230	189	179
TANZANIA	822	1,041	939	1,013	977	1,050
TOGO	138	164	224	283	274	279
UGANDA	2,143	2,090	2,840	3,154	3,053	3,052
ZAIRE (CONGO,K)	1,080	1,346	1,240	1,169	1,295	1,350
ZIMBABWE	65	85	72	107	139	171
TOTAL AFRICA	15,762	19,105	17,850	18,180	16,825	18,291
ASIA:						
INDIA	1,093	1,090	1,631	1,170	600	1,650
INDONESIA	2,981	4,137	4,630	3,636	3,647	4,100
MALAYSIA	12	--	--	--	--	--
PHILIPPINES	271	512	572	708	587	460
THAILAND	21	83	151	191	159	180
VIETNAM	32	35	25	25	25	25
YEMEN, ARAB REP	38	47	45	40	40	40
TOTAL ASIA	4,449	5,904	7,054	5,770	5,058	6,455
OCEANIA:						
NEW CALEDONIA	--	--	--	--	--	--
PAPUA NEW GUINEA	712	837	664	874	933	983
TOTAL OCEANIA	712	837	664	874	933	983
WORLD TOTAL	54,269	66,072	77,122	62,676	69,446	70,355

1/ Coffee marketing year begins about October in some countries and April or July in others. Exportable production represents total harvested production minus estimated domestic consumption. 2/ 132.276 pounds.

NOTE: Production estimates for some countries include cross-border movements.

SOURCE: Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

July 1984

Horticultural and Tropical Production Division, FAS/USDA

TABLE 3

WORLD COFFEE SUPPLY AND DISTRIBUTION, 1961-1985

(IN 1,000 60-KG BAGS)

YEAR	BEGINNING STOCKS	PRODUCTION	IMPORTS	TOTAL SUPPLY DISTRIBUTN	DOMESTIC USE	EXPORTS				ENDING STOCKS
						BEANS	RSTD/GRND	SOLUBLE	TOTAL	
1961/62	65,124	75,950	279	141,353	21,072	45,961	56	135	46,152	74,129
1962/63	74,129	67,791	256	142,176	14,690	46,782	42	123	46,947	80,539
1963/64	80,539	65,338	183	146,060	17,615	50,886	69	118	51,074	77,372
1964/65	77,372	52,654	177	130,203	16,741	41,769	58	78	41,905	71,557
1965/66	71,557	82,157	249	153,963	17,809	49,670	37	257	49,964	86,190
1966/67	86,190	63,386	279	149,855	19,252	48,328	26	564	48,918	81,686
1967/68	81,686	71,144	273	153,103	18,068	54,723	55	741	55,520	79,516
1968/69	79,516	63,286	228	143,032	19,637	52,547	76	963	53,586	69,810
1969/70	69,810	69,626	267	139,703	16,688	53,864	93	1,161	55,108	65,707
1970/71	65,707	59,426	505	125,638	19,369	50,554	112	1,253	51,919	54,351
1971/72	54,351	73,316	524	128,191	19,054	56,650	249	1,589	58,488	50,648
1972/73	50,648	77,198	497	128,343	17,451	59,014	346	2,040	61,400	49,492
1973/74	49,492	65,732	563	115,787	19,013	58,299	192	2,149	60,640	36,133
1974/75	36,133	82,785	464	119,382	19,166	53,258	235	1,985	55,478	44,738
1975/76	44,738	73,109	410	118,257	19,179	57,149	371	2,164	59,685	39,394
1976/77	39,394	60,907	529	100,830	18,397	54,190	351	2,176	56,717	25,716
1977/78	25,716	70,850	593	97,159	18,775	47,759	185	893	48,837	29,547
1978/79	29,547	78,941	713	109,201	19,481	61,916	225	2,430	64,571	25,149
1979/80	25,149	81,861	687	107,697	19,980	58,946	219	2,572	61,737	25,980
1980/81	25,980	86,354	617	112,951	20,585	56,674	155	2,821	59,650	32,716
1981/82	32,716	98,065	702	131,483	21,273	60,294	224	4,056	64,574	45,636
1982/83	45,636	83,137	719	129,492	20,723	62,596	131	2,563	65,290	43,479
1983/84	43,479	90,672	696	134,847	21,553	63,241	134	2,743	66,118	47,176
1984/85	47,176	91,944	667	139,787	21,855	64,644	146	2,783	67,573	50,359

NOTE: TOTAL MAY NOT ADD BECAUSE OF ROUNDING, -- DENOTES UNAVAILABLE, NEGLIGIBLE, OR ZERO

JULY 1984

HORTICULTURAL AND TROPICAL PRODUCTS DIVISION
COMMODITY PROGRAMS, FAS, USDA

TABLE 4
WORLD: COFFEE SUPPLY & DISTRIBUTION 1983/84 1/
(in thousands of 60 kilograms bags)

Country	Beginning Stocks	Production	Imports	Total S/D	Total Exports	Domestic Use	Ending Stocks
Costa Rica	788	2,070	---	2,858	1,800	233	825
Cuba	---	360	300	660	260	400	---
Dominican Republic	687	800	---	1,487	525	302	660
El Salvador	1,676	2,253	---	3,929	2,750	200	979
Guatemala	881	2,340	---	3,221	2,035	340	846
Haiti	35	660	---	695	410	245	40
Honduras	805	1,550	---	2,355	1,175	128	1,052
Jamaica	7	33	3	43	25	12	6
Mexico	1,195	4,200	---	5,395	2,685	1,750	960
Nicaragua	240	710	---	950	810	100	40
Panama	24	143	---	167	65	67	35
Trinidad & Tobago	5	30	4	39	12	20	7
United States	111	195	100	406	---	305	101
Total	6,454	15,344	407	22,205	12,552	4,102	5,551
Bolivia	32	150	---	182	120	35	27
Brazil	5,930	30,000	---	35,930	17,400	8,500	10,030
Colombia	11,712	13,000	---	24,712	9,700	1,860	13,152
Ecuador	960	1,380	---	2,340	1,345	250	745
Guyana	---	25	---	25	3	22	---
Paraguay	160	280	---	440	230	23	187
Peru	467	1,200	---	1,667	980	257	430
Venezuela	220	1,150	---	1,370	80	1,000	290
Total	19,481	47,185	---	66,666	29,858	11,947	24,861
Angola	1,067	260	---	1,327	440	44	843
Benin	---	55	---	55	54	1	---
Burundi	86	550	---	636	460	3	173
Cameroon	1,896	1,350	1	3,247	1,600	35	1,612
Central African Republic	42	150	---	192	174	13	5
Congo	4	35	---	39	33	1	5
Equatorial Guinea	5	30	---	35	20	15	---
Ethiopia	1,952	3,350	---	5,302	1,650	1,650	2,002
Gabon	---	35	---	35	34	1	---
Ghana	34	25	---	59	24	5	30
Guinea	19	60	---	79	58	6	15
Ivory Coast	2,681	3,000	---	5,681	4,225	70	1,386
Kenya	821	2,123	---	2,944	1,500	35	1,409
Liberia	36	135	5	176	130	6	40
Madagascar	719	1,300	---	2,019	900	180	939
Malawi	---	27	---	27	20	---	7
Nigeria	18	42	132	192	35	132	25
Rwanda	40	480	---	520	475	2	43
Sierra Leone	5	195	--	200	180	6	14
Tanzania	489	997	---	1,486	980	20	486
Togo	31	275	---	306	280	1	25
Uganda	2,869	3,100	---	5,969	2,500	47	3,422
Zaire	950	1,480	---	2,430	1,175	185	1,070
Zimbabwe	20	147	---	167	116	8	43
Total	13,784	19,201	138	33,123	17,063	2,466	13,594
India	980	1,550	---	2,530	1,000	950	580
Indonesia	1,605	4,747	---	6,352	3,900	1,100	1,352
Malaysia	58	163	145	366	76	250	40
Philippines	843	1,112	---	1,955	500	525	930
Thailand	60	300	2	362	140	141	81
Vietnam	---	60	---	60	25	35	---
Yemen Arabic Republic	---	50	---	50	40	10	---
Total	3,546	7,982	147	11,675	5,681	3,011	2,983
New Caledonia	---	10	---	10	---	10	---
Papua New/Guinea	214	950	4	1,168	964	17	187
Total	214	960	4	1,178	964	27	187
World Total	43,479	90,672	696	134,847	66,118	21,553	447,176

1/ Forecast

July 1984

Horticultural and Tropical Products Division,
Commodity Program FAS/USDA

TABLE 5

1984 ICO COMPOSITE INDICATOR PRICE (1979 AGREEMENT)
(U.S. CENTS PER POUND EQUIVALENT)

Day	Composite Daily ICO Price (1979) Jan.	Feb	March	April	May	June	Day	15-Day Moving Average Jan.	Feb	March	April	May	June
1....	---	140.30	144.22	---	143.94	149.22	1....	---	139.31	141.77	---	143.72	150.55
2....	---	140.56	144.67	143.84	143.46	---	2....	---	139.57	142.13	142.90	143.68	---
3....	136.26	140.52	---	144.03	143.81	---	3....	139.75	139.77	---	143.02	143.67	---
4....	135.69	---	---	144.16	144.25	147.55	4....	139.40	---	---	143.14	143.75	150.53
5....	136.97	---	144.29	144.55	---	146.11	5....	139.09	---	142.42	143.29	---	150.40
6....	136.81	140.32	144.70	144.66	---	146.12	6....	138.72	139.93	142.71	143.45	---	150.24
7....	---	139.40	144.15	---	144.63	147.54	7....	---	140.01	142.92	---	143.91	150.06
8....	---	138.76	143.45	---	144.88	147.56	8....	---	140.06	143.05	---	144.05	149.87
9....	136.57	139.19	142.61	144.56	144.25	---	9....	138.36	140.06	143.07	143.63	144.05	---
10...	136.90	140.03	---	144.07	145.70	---	10...	138.01	140.06	---	143.79	144.13	---
11...	136.20	---	---	143.96	147.88	147.63	11...	137.65	---	---	143.92	144.36	149.53
12...	133.66	---	142.25	143.09	---	146.83	12...	137.43	---	143.08	143.99	---	148.95
13...	137.66	140.31	142.23	142.30	---	145.83	13...	137.38	140.00	143.12	143.96	---	148.38
14...	---	140.99	142.33	---	148.07	146.06	14...	---	140.06	143.17	---	144.61	147.87
15...	---	141.43	142.34	---	148.61	145.90	15...	---	140.14	143.19	---	144.93	147.41
16...	137.90	142.40	142.26	142.68	150.25	---	16...	131.31	140.28	143.20	143.90	145.50	---
17...	138.09	142.13	---	144.28	150.27	---	17...	137.23	140.40	---	143.94	145.84	---
18...	138.13	---	---	144.70	152.73	145.14	18...	137.14	---	---	144.00	146.44	147.06
19...	139.06	---	141.96	144.40	---	143.34	19...	137.18	---	143.15	143.99	---	146.78
20...	140.13	---	141.56	---	---	142.73	20...	137.36	---	143.08	---	---	146.39
21...	---	141.53	142.08	---	155.65	142.54	21...	---	140.52	143.01	---	147.23	146.01
22...	---	141.67	142.05	---	154.33	142.62	22...	---	140.64	142.86	---	147.92	145.57
23...	141.13	141.98	142.64	144.46	153.66	---	23...	137.61	140.75	142.73	143.97	148.60	---
24...	140.12	142.19	---	143.76	152.87	---	24...	137.87	140.86	---	143.96	149.20	---
25...	140.29	---	---	143.13	150.48	142.42	25...	138.17	---	---	143.90	149.61	145.22
26...	140.29	---	143.70	143.68	---	143.53	26...	138.40	---	142.69	143.87	---	145.05
27...	140.36	142.61	143.60	143.70	---	145.67	27...	138.63	141.00	142.61	143.81	---	145.02
28...	---	142.66	143.61	---	---	145.60	28...	---	141.15	142.58	---	---	144.89
29...	---	143.17	144.51	---	147.54	144.10	29...	---	141.40	142.65	---	149.81	144.66
30...	139.73		144.83	143.94	148.53	---	30...	138.84		142.80	143.77	150.05	---
31...	139.32		---	---	148.28		31...	139.04		---	---	150.32	
Ave..	138.32	141.11	143.18	143.89	148.36	145.43	Ave..	137.84	140.30	142.82	143.71	146.15	147.64

Note: Dashes denote weekends and holidays.

July 1984
FAS/USDA

Horticultural and Tropical Products Division,

TABLE 6
REVISED ANNUAL AND QUARTERLY QUOTAS
COFFEE YEAR 1983/84
AS OF MAY 31, 1984
(60 kilo bags)

Exporting Member	Revised annual quota	Quarterly Quotas Oct.-Dec. 1983	Jan.-March 1984	April-June 1984	July-Sept. 1984
Total	60,222,737	15,330,714	14,982,142	16,960,439	12,949,442
Sub-total: Members entitled to a basic quota	57,628,290	14,503,319	14,374,994	16,338,700	12,411,277
Colombian Milds	11,263,936	2,815,984	2,815,985	3,204,063	2,427,904
Colombia	9,114,159	2,278,540	2,278,540	2,592,552	1,964,527
Kenya	1,388,398	347,099	347,100	394,934	299,265
Tanzania	761,379	190,345	190,345	216,577	164,112
Other Milds	13,082,417	3,274,057	3,269,455	3,720,106	2,818,799
Costa Rica	1,209,251	302,313	302,313	343,976	260,649
Dominican Republic	531,846	132,961	132,962	151,285	114,638
Ecuador	1,214,849	303,712	303,712	345,568	261,857
El Salvador	2,508,074	627,018	627,019	713,429	540,608
Guatemala	1,942,636	485,659	485,659	552,589	418,729
Honduras	834,160	208,540	208,540	237,280	179,800
India	694,199	173,550	173,550	197,467	149,632
Mexico	2,043,407	510,852	510,852	581,254	440,449
Nicaragua	716,591	179,148	179,148	203,836	154,459
Papua New Guinea	654,015	166,957	162,353	184,807	139,898
Peru	733,389	183,347	183,347	208,615	158,080
Brazilian and Other Arabicas	18,726,577	4,681,644	4,681,645	5,326,836	4,036,452
Brazil	17,259,803	4,314,951	4,314,951	4,909,608	3,720,293
Ethiopia	1,466,774	366,693	366,694	417,228	316,159
Robustas	14,505,360	3,731,634	3,607,909	4,037,695	3,128,122
Angola	400,000 1/	112,500	112,500	70,314 1/	104,686
Indonesia	2,547,264	636,816	636,816	724,578	549,054
OAMCAF 2/	7,389,146	1,947,131	1,814,005	2,054,422	1,573,588
Philippines	496,416	117,054	126,454	143,718	109,190
Uganda	2,485,678	621,419	621,420	707,058	535,781
Zaire	1,186,856	296,714	296,714	337,605	255,823
Voluntary reduction declared but not distributed 3/	50,000			50,000	
Sub-total: Members exempt from basic quotas	2,594,447	827,395	607,148	621,739	538,165

1/ Adjusted voluntary reduction of 50,000 bags in annual quota made by member. 2/ Includes Members of OAMCAF exempt from basic quotas. 3/ Amount of voluntary reduction in annual quota made by Angola.

SOURCE: International Coffee Organization

TABLE 7
EXPORTS BY ICO EXPORTING MEMBERS TO ALL DESTINATIONS
OCTOBER/APRIL 1979/80 TO 1983/84
(in thousands of 60 kg bags)

Exporting Member	October/April 1979/80	1980/81	1981/82	1982/83	1983/84
TOTAL	31,080	31,196	32,271	32,186	33,722*
Sub-total: Members entitled to a basic quota	29,909	30,212	30,945	30,755	32,309
Colombian Milds	7,634	6,060	6,124	6,004	6,150
Colombia	6,425	4,982	4,825	4,853	4,904
Kenya	772	675	820	776	828
Tanzania	437	403	479	375	418
Other Milds	8,220	8,108	7,737	6,918	8,019
Costa Rica	918	872	761	685	745
Dominican Republic	451	315	368	317	361
Ecuador	486	603	604	583	731
El Salvador	948	1,491	1,516	1,340	1,717
Guatemala	1,587	1,297	1,059	1,051	1,284
Honduras	698	659	692	486	563
India	297	468	392	301	332
Mexico	1,416	1,103	1,094	1,070	1,283
Nicaragua	712	497	444	426	333
Papua New Guinea	261	298	285	277	275
Peru	446	506	521	382	396
Brazilian and Other Arabidcas	6,858	9,006	9,339	9,838	9,945
Brazil	6,309	8,430	8,696	9,072	9,008
Ethiopia	549	576	643	767	937
Robustas	7,197	7,038	7,745	7,995	8,195
Angola	244	143	306	160	179
Indonesia	1,760	1,490	1,017	1,348	1,348
OAMCAF	(3,162)	(3,723)	(4,236)	(4,215)	(4,379)
Benin	0	2	22	22	23 1/
Cameroon	799	919	951	1,016	831
Central African Rep.	74	122	93	132	102
Congo	34	21	23	16	19
Gabon	4	5	6	23	27 1/
Ivory Coast	1,498	1,994	2,704	2,371	2,643
Madagascar	660	553	376	458	527
Togo	93	108	61	178	208
Philippines	165	260	288	305	238
Uganda	1,328	676	1,095	1,234	1,446
Zaire	538	746	803	773	605
Sub-total: Members exempt from basic quotas	1,171	984	1,326	1,431	1,413
Arabicas	882	681	933	1,106	1,104
Bolivia	21	45	44	33	30
Burundi	98	67	300	299	338
Haiti	321	189	179	318	207 1/
Jamaica	9	7	9	11	9
Malawi	1	5	7	7	6 1/
Panama	43	55	64	76	66
Paraguay	5	14	72	74	54
Rwanda	349	221	195	217	255
Venezuela	33	19	17	4	71
Zimbabwe	0	58	46	68	68
Robustas	289	303	394	325	308
Equatorial Guinea					9
Ghana	12	19	8	6	6
Guinea	20	6	8	23	18
Liberia	92	80	62	78	51
Nigeria	2	0	28	28	24 1/
Sierra Leone	95	124	117	41	97
Sri Lanka	18	7	56	40	49
Thailand	41	48	91	96	52
Trinidad & Tobago	10	20	24	12	1

NOTES: Due to rounding the totals may not always reflect the sum of the relevant components. * Preliminary. 1/ Includes estimates for April.

SOURCE: International Coffee Organization

TABLE 8
EXPORTS BY ICO EXPORTING MEMBERS TO NON-MEMBERS
OCTOBER/APRIL 1979/80 TO 1983/84
(in thousands of 60 kg bags)

Exporting Member	October/April 1979/80	1980/81	1981/82	1982/83	1983/84
TOTAL	3,264	4,054	4,506	5,255	5,125*
Sub-total: Members entitled to a basic quota	3,159	3,960	4,432	5,125	5,083
Colombian Milds	511	551	591	388	507
Colombia	469	375	311	221	382
Kenya	23	48	212	97	64
Tanzania	19	127	69	70	60
Other Milds	553	894	1,135	2,443	1,834
Costa Rica	18	78	151	395	370
Dominican Republic	59	38	58	---	---
Ecuador	142	142	152	370	77 1/
El Salvador	13	0	2	---	308
Guatemala	2	41	307	211	23
Honduras	2	33	6	237	81
India	258	402	224	241	135
Mexico	20	61	3	650	394
Nicaragua	11	88	143	290	116
Papua New Guinea	---	3	77	19	148
Peru	28	8	12	31	181
Brazilian and Other Arabidcas	1,120	1,572	1,034	1,106	1,549
Brazil	987	1,422	982	1,054	1,526
Ethiopia	133	149	52	51	24
Robustas	974	944	1,672	1,188	1,193
Angola	294	159	202	147	64
Indonesia	25	148	640	609	982
OAMCAF	(494)	(584)	(760)	(426)	(145)
Benin	0	0	0	0	0 1/
Cameroon	17	36	9	105	43
Central	0	---	0	0	0
Congo	0	0	0	0	0
Gabon	0	0	0	0	0 1/
Ivory Coast	372	402	501	296	102
Madagascar	105	146	250	25	0
Togo	0	0	0	0	0
Philippines	27	3	1	1	1
Uganda	127	38	49	0	0
Zaire	6	11	20	4	---
Sub-total: Members exempt from basic quotas	104	94	74	130	42
Arabicas	83	84	56	81	37
Robustas	21	10	18	50	5

NOTES: Due to rounding the totals may not always reflect the sum of the relevant components. * Preliminary. 1/ Includes estimates for April.

SOURCE: International Coffee Organization

TABLE 9
NET IMPORTS OF COFFEE INTO THE UNITED STATES 1/
(in bags of 60 kilos)

Month	1980	1981	1982	1983	1984
January	2,156,837	1,913,948	1,286,239	1,632,596	1,672,966
February	1,440,083	1,797,683	1,223,082	1,341,111	1,346,808
March	1,476,011	1,371,924	1,554,910	1,379,564	1,490,820
April	1,674,104	1,309,196	1,161,174	1,312,035	1,960,466
May	1,572,592	1,398,283	1,510,949	1,580,714	1,637,983
June	1,676,994	1,039,397	1,395,681	1,060,109	---
July	1,553,434	975,446	1,320,502	1,386,108	---
August	1,311,897	1,229,975	1,650,537	1,329,414	---
September	1,066,610	1,240,100	1,642,818	1,600,010	---
October	1,342,325	1,553,334	2,079,901	1,797,011	---
November	1,537,600	1,612,647	1,420,066	1,430,971	---
December	1,759,308	1,624,793	1,615,161	1,320,195	---
Average	18,567,795	17,066,727	17,861,020	17,169,838	---

1/ Includes green equivalent of soluable and roasted coffee

SOURCE: George Gordon Paton's Complete Coffee Coverage.

TABLE 10
VOLUME OF GREEN COFFEE ROASTED IN THE UNITED STATES
(in bags of 60 kilos, green basis)

Month	1980	1981	1982	1983	1984
January	1,606,000	1,733,000	1,657,000	1,590,000	1,610,000
February	1,479,000	1,624,000	1,465,000	1,390,000	1,430,000
March	1,212,000	1,385,000	1,300,000	1,205,000	1,305,000
April	1,564,000	1,467,000	1,343,000	1,250,000	1,300,000
May	1,432,000	1,436,000	1,350,000	1,305,000	1,442,000
June	1,027,000	1,059,000	1,070,000	1,120,000	---
July	1,035,000	1,025,000	1,140,000	1,140,000	---
August	1,494,000	1,505,000	1,480,000	1,518,000	---
September	1,330,000	1,370,000	1,435,000	1,490,000	---
October	1,426,000	1,449,000	1,515,000	1,550,000	---
November	1,589,000	1,600,000	1,715,000	1,608,000	---
December	1,853,000	1,917,000	1,865,000	1,754,000	---
Average	17,047,000	17,570,000	17,335,000	16,920,000	---

SOURCE: George Gordon Paton's Complete Coffee Coverage.

TABLE 11
AVERAGE MONTHLY WHOLESALE PRICES OF COFFEE
IN THE UNITED STATES
(in cents per pound)

Month	Ground Roast in 1 lb .cans			Soluble per 16 ozs.		
	1982	1983	1984	1982	1983	1984
January	239.0	245.1	251.8	703.5	724.7	755.5
February	242.1	244.6	249.2	697.9	731.5	764.3
March	245.3	248.2	248.2	698.5	736.0	768.8
April	243.8	243.2	251.7	698.5	740.0	769.0
May	240.9	242.6	---	698.4	793.7	---
June	241.1	242.9	---	698.5	736.5	---
July	241.1	243.3	---	696.6	738.8	---
August	239.0	242.6	---	698.8	738.7	---
September	240.8	242.4	---	691.6	738.7	---
October	243.0	245.2	---	694.5	739.0	---
November	244.2	245.6	---	704.4	744.4	---
December	245.1	248.5	---	712.9	749.7	---
Average	242.1	244.5		699.2	738.1	

SOURCE: Bureau of Labor Statistics, US Department of Labor.

TABLE 12
AVERAGE MONTHLY RETAIL PRICES OF COFFEE
IN THE UNITED STATES
(in cents per pound)

Month	----Roasted 1/----			----Instant 2/----			----Freeze-Dried 3/----		
	1982	1983	1984	1982	1983	1984	1982	1983	1984
January	248.0	255.0	255.6	662.2	N.A.	689.7	1031.4	1043.2	1087.3
February	259.4	257.1	261.1	674.0	N.A.	697.2	1063.2	1056.1	1119.6
March	260.5	257.3	258.9	669.1	N.A.	697.4	1056.9	1054.2	1130.5
April	260.8	253.2	259.9	673.4	N.A.	690.5	1053.3	1055.9	1133.4
May	261.3	252.8	261.2	686.4	N.A.	683.8	1049.0	1056.5	1142.4
June	259.5	252.0	---	675.6	N.A.	---	1056.9	1055.7	---
July	256.6	250.7	---	678.3	N.A.	---	1040.1	1059.9	---
August	257.9	252.5	---	681.5	N.A.	---	1053.1	N.A.	---
September	256.5	250.0	---	663.3	N.A.	---	1052.8	1058.4	---
October	254.2	251.0	---	664.8	N.A.	---	1054.7	1065.1	---
November	253.3	253.4	---	667.3	N.A.	---	1054.8	N.A.	---
December	253.8	251.2	---	675.0	N.A.	---	1050.8	N.A.	---
Average	256.8	253.0	---	672.6	N.A.	---	1051.4	1056.1	---

1/ Packed in 13.1 to 20 oz. cans. 2/ In 1982 packed in 9.1 to 14 oz jars and in 1984 packed in 6.1 to 14 oz. jars. 3/ In 1982 and 1983 packed in 3.1 to 9 oz. jars and in 1984 packed in all size jars.

SOURCE: US Department of Labor, Bureau of Labor Statistics.

TABLE 13

U.S. IMPORTS OF COFFEE BY TYPE CALENDAR YEARS 1982 AND 1983
(in 60 kilogram bags, green bean equivalent)

	1982				1983			
	Green	Roasted Ground	Soluble	Total	Green	Roasted Ground	Soluble	Total
COLOMBIA MILDS								
Colombia	1,709,607	17,609	16,758	1,743,974	1,754,634	4,783	67,226	1,826,643
Kenya	198,944	8		198,952	263,154	4		263,159
Tanzania	46,874			46,874	13,303	6		13,309
Total	1,955,425	17,617	16,758	1,989,800	2,031,091	4,793	67,226	2,103,111
OTHER MILDS								
Burundi	261,076			261,076	17,632			17,632
Costa Rica	248,003	45,021	1,229	294,252	226,202			226,202
Dominican Republic	499,746	38,013		537,759	430,049	804		430,853
Ecuador	773,358	1,698	117,721	892,777	856,600	485	96,626	953,710
El Salvador	919,205	526	14,088	933,820	1,213,951	734	24,101	1,238,786
Guatemala	843,546	2,592	21	846,158	887,169	1,661	1,294	890,124
Guyana	654			654				
Haiti	119,708			119,708	128,425			128,425
Honduras	220,922		1,171	222,094	258,877			258,877
India	278,691			278,691	158,108			158,108
Jamaica	487	656	25	1,168	1,073	414	7	1,495
Malawi	250			250				
Mexico	1,377,050	84,526	400	1,461,976	1,494,876	137,677	12,023	1,644,576
Nicaragua	18,793		26,433	45,226	5,778	7	6,877	12,662
Panama	51,297			51,297	58,338			58,338
Papua New Guinea	35,502			35,502	38,736			38,736
Peru	513,277		2,741	516,018	439,176	1,036	3,812	444,023
Rwanda	180,160			180,160	163,978		2,250	166,228
Venezuela	16,353			16,353	25,763	397		26,160
Yeman Arab Repbulic	471			471				
Zimbabwe	21,684			21,684	25,461			25,461
Total	6,380,233	173,032	163,829	6,717,094	6,430,192	143,215	146,990	6,720,396
UNWASHED ARABICAS								
Bolivia	30,871	416		31,287	15,443			15,443
Brazil	3,372,062	6,017	869,552	4,247,631	3,417,488	32,315	894,980	4,344,784
Ethiopia	578,169			578,169	518,660			518,660
Paraguay	81,124			81,124	131,597			131,597
Total	4,062,226	6,433	869,552	4,938,211	4,083,188	32,315	894,980	5,010,484
ROBUSTAS								
Angola	63,266			63,266	26,796			26,796
Benin	11,675			11,675				
Cameroon	233,087			233,087	156,930			156,930
Central African Republic	7,560			7,560				
Guinea	8,367			8,367	44,920			44,920
Indonesia	1,117,925	111		1,118,035	1,079,029	5,010		1,084,039
Ivory Coast	997,535		54	997,590	673,548			673,548
Liberia	33,062			33,062	38,889			38,889
Madagascar	139,777			139,777	125,998	5		126,003
Malaysia	35,965			35,965	17,057			17,057
Philippines	308,196	1,427		309,623	276,438	404		276,841
Sierra Leone	122,776			122,776	104,986			104,986
Sri Lanka	22,661			22,661	32,619			32,619
Thailand	88,090	59		88,149	111,306	3	14	111,322
Togo	90,038			90,038	133,174			133,174
Trinidad & Tobago	18,600			18,600	5,603			5,603
Uganda	1,228,944			1,228,944	728,984			728,984
Zaire	96,518	2	398	96,918	22,181	3		22,184
Total	4,624,042	1,599	452	4,626,093	3,578,458	5,425	14	3,583,895
OTHER COUNTRIES	393,736 1/	17,465	84,475	495,676	325,639	11,669	66,372	403,680
WORLD TOTAL	17,415,662	216,146	1,135,066	18,766,874	16,448,568	197,417	1,175,582	17,821,566

1/ Mainly non producing countries in Western Europe

SOURCE: USDA

July 1984

Horticultural and Tropical Products Division, FAS/USDA

☆ U.S. GOVERNMENT PRINTING OFFICE: 1984-420-929:319-FAS

FOREIGN AGRICULTURE CIRCULARS

USDA's Foreign Agricultural Service issues regular reports on the supply and demand situation for commodities around the world.

HOW TO ORDER: Check the title of each circular you wish to order. Remit a check for the total amount payable to the Foreign Agricultural Service. Only checks on U.S. banks, cashier's checks, or international money orders will be accepted in payment. NO REFUNDS CAN BE MADE. Mail this form to:

Foreign Agricultural Service
Information Division
Room 4644-South Building
U.S. Department of Agriculture
Washington, D.C. 20250

PLEASE ENTER THE NUMBER OF SUBSCRIPTIONS DESIRED BELOW:

Number	Code	Circular	Subscription Rate: Domestic Mailing	Subscription Rate: Foreign Mailing
______	10022	COCOA (2 issues)	$ 3.00	$ 4.00
______	10003	COFFEE (3 issues)	5.00	10.00
______	10004	COTTON (12 issues)	20.00	30.00
		DAIRY, LIVESTOCK & POULTRY:		
______	10005	EXPORT TRADE & PROSPECTS (6 issues)	14.00	22.00
______	10006	MEAT & DAIRY MONTHLY IMPORTS (12 issues)	20.00	25.00
______	10007	DAIRY SITUATION (2 issues)	3.00	4.00
______	10008	LIVESTOCK & POULTRY SITUATION (2 issues)	4.00	7.00
______	10009	ALL 24 REPORTS LISTED ABOVE	41.00	58.00
		GRAINS:		
______	10010	WORLD GRAIN SITUATION & OUTLOOK (18 issues)	31.00	45.00
______	10011	EXPORT MARKETS FOR U.S. GRAIN (12 issues)	20.00	30.00
______	10013	USSR GRAIN SITUATION & OUTLOOK (12 issues)	15.00	20.00
______	10014	ALL 42 REPORTS LISTED ABOVE	66.00	96.00
______	10015	HORTICULTURAL PRODUCTS (12 issues)	20.00	30.00
______	10016	OILSEEDS & PRODUCTS (14 issues)	30.00	45.00
______	10017	SEEDS (4 issues)	9.00	15.00
______	10018	SUGAR, MOLASSES & HONEY (4 issues)	7.00	11.00
______	10019	TEA, SPICES & ESSENTIAL OILS (3 issues)	5.00	7.00
______	10020	TOBACCO (12 issues)	25.00	40.00
______	10021	WORLD CROP PRODUCTION (12 issues)	18.00	25.00
______	10023	WOOD PRODUCTS (4 issues)	7.00	10.00
______		TOTAL REPORTS ORDERED	TOTAL SUBSCRIPTION PRICE ______	

ENCLOSED IS MY CHECK FOR $________ MADE PAYABLE TO FOREIGN AGRICULTURAL SERVICE.

NAME (Last, first, middle initial)		
ORGANIZATION OR FIRM		
STREET OR P.O. BOX NUMBER		
CITY	STATE	ZIP CODE
COUNTRY		

FAS-829 (Rev. 5-84)

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

FIRST-CLASS MAIL
POSTAGE & FEES PAID
USDA-FAS
WASHINGTON, D.C.
PERMIT No. G-262

If your address should be changed ________ PRINT OR TYPE the new address, including ZIP CODE and return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 5918 So.
U.S. Department of Agriculture
Washington, D.C. 20250