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COFFEE
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CURRENT SERIAL RECORDS

1965-66 WORLD COFFEE CROP

ESTIMATE UP SLIGHTLY

The Foreign Agricultural Service's third estimate (December) of the 1965-66 world coffee crop put total production at 78.2 million bags 1/₂, and exportable production 2/₂, at 63.4 million bags. This is up slightly from the September estimate and close to the record crop of 1959-60 which totaled 78.9 million bags. It is considerably larger than 1964-65 production of 51.7 million bags total and 37.1 million exportable.

Production

North America: Total North American coffee production is estimated at 11.4 million bags, with exportable production at 8.5 million. This is up only slightly from the September estimate, but considerably above the 10.4 and 7.5 million bags, respectively, produced in 1964-65.

The estimate for the 1965-66 Costa Rican crop has again been revised upward as that country continues to show recovery from the natural disasters of 1964-65. In fact, the volcanic ash accumulation in the soil during that period, plus the pruning effect which the ash had when it fell, might actually have helped the trees in the long run. Reports out of Cuba indicate a scarcity of coffee in that country; this country has not had any production available for export in recent years. Production in El Salvador is expected to be up about 5 percent in 1965-66 as a result of the "up" year in the coffee cycle. However, this "cycle" is tending to become less and less important in El Salvador, and in some other countries, as the result of improving cultural practices.

1/ All bags in text and tables equal 132.276 pounds.

2/ Exportable production: Total production minus domestic consumption.

GREEN COFFEE: World total production for the marketing year 1965-66, with comparisons ^{1/}

Continent and country	Average	1962-63	1963-64	1964-65	3rd estimate
	1955/56- 1959/60				1965-66
	1,000	1,000	1,000	1,000	1,000
	bags ^{2/}	bags ^{2/}	bags ^{2/}	bags ^{2/}	bags ^{2/}
North America:					
Costa Rica	734	1,050	1,100	825	1,000
Cuba	713	650	475	600	475
Dominican Republic	549	570	690	675	700
El Salvador	1,436	1,650	2,000	2,000	2,100
Guatemala	1,357	1,900	1,790	1,600	2,000
Haiti	600	590	530	550	585
Honduras	321	410	395	445	490
Mexico	1,716	2,200	2,855	2,680	2,950
Nicaragua	376	505	450	575	550
Panama	^{3/} 27	73	80	85	90
Trinidad & Tobago	44	60	75	75	70
Other ^{4/}	427	416	314	325	345
Total North America	8,300	10,074	10,754	10,435	11,355
South America:					
Brazil	28,300	27,000	28,200	10,000	34,000
Colombia	7,360	7,500	8,200	8,000	8,000
Ecuador	521	800	700	900	900
Peru	324	770	815	870	880
Venezuela	835	850	890	800	825
Other ^{5/}	63	124	128	128	128
Total South America	37,403	37,044	38,933	20,698	44,733
Africa:					
Angola	1,443	3,100	2,800	3,200	3,100
Burundi ^{6/}	7/	110	250	200	225
Cameroon ^{8/}	405	825	800	900	950
Central African Republic	^{3/} 41	105	210	150	175
Congo (Leopoldville)	1,195	1,100	1,100	800	1,000
Ethiopia	1,100	1,490	1,600	1,550	1,570
Guinea	^{9/} 114	215	175	170	170
Ivory Coast	2,130	3,350	4,350	3,500	4,800
Kenya	415	635	740	675	800
Malagasy Republic	902	1,000	835	1,050	885
Rwanda ^{6/}	7/	85	145	155	165
Tanzania ^{10/}	375	470	545	575	590
Togo	122	177	230	200	225
Uganda	1,508	2,945	2,900	2,600	2,800
Other ^{11/}	332	400	429	432	439
Total Africa	10,082	16,007	17,109	16,157	17,894
Asia and Oceania:					
India	712	1,020	1,240	1,100	1,090
Indonesia	1,343	2,330	1,900	2,200	2,000
Philippines	199	550	655	710	725
Yemen	88	82	80	90	100
Other ^{12/}	179	280	319	337	337
Total Asia and Oceania	2,521	4,262	4,194	4,437	4,252
World total production	58,306	67,387	70,990	51,727	78,234

^{1/} The coffee marketing season begins during the second half of the calendar year starting in some countries like Brazil as early as July 1 and in other countries about October 1. Exportable production represents total production minus consumption, except for Brazil prior to 1959-60 which was based on "registrations" of current crop minus port consumption and coastwise shipments. ^{2/} 132,276 pounds each. ^{3/} 2-year average. ^{4/} Includes Guadeloupe, Hawaii, Jamaica, and Puerto Rico. ^{5/} Includes Bolivia, British Guiana, Paraguay and Surinam. ^{6/} Prior to 1962-63, was shown as Ruanda-Urundi. ^{7/} Shown in Congo (Leopoldville) prior to 1959-60. Combined exports for Rwanda and Burundi in 1959-60 totaled 160,000 bags. ^{8/} Beginning with 1961-62 includes West Cameroon. Prior to 1961-62 this area was identified as Southern Cameroon and its production was included with Nigeria. ^{9/} 3-year average. ^{10/} Prior to 1964-65 year was shown as Tanganyika. Now includes Zanzibar as well. ^{11/} Includes Cape Verde, Comoro Islands, Dahomey, Gabon, Ghana, Liberia, Nigeria, Congo (Brazzaville), Sao Tome and Principe, Sierra Leone, and Spanish Guinea. ^{12/} Includes Malaysia, New Caledonia, New Hebrides, Papua and New Guinea, Portuguese Timor and Vietnam.

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

GREEN COFFEE: World exportable production for the marketing year 1965-66, with comparisons ^{1/}

Continent and country	Average 1955/56- 1959/60	1962-63	1963-64	1964-65	3rd estimate 1965-66
	1,000 bags ^{2/}	1,000 bags ^{2/}	1,000 bags ^{2/}	1,000 bags ^{2/}	1,000 bags ^{2/}
North America:					
Costa Rica	658	930	970	685	855
Cuba	207	50	---	---	---
Dominican Republic	421	420	540	525	545
El Salvador	1,327	1,540	1,885	1,880	1,970
Guatemala	1,158	1,700	1,580	1,390	1,785
Haiti	435	425	365	385	420
Honduras	262	335	320	365	405
Mexico	1,369	1,250	1,855	1,630	1,850
Nicaragua	334	460	405	525	495
Panama	^{3/} 10	19	26	25	30
Trinidad & Tobago	37	53	68	65	60
Other ^{4/}	171	122	55	59	64
Total North America	6,389	7,304	8,069	7,534	8,479
South America:					
Brazil	23,360	20,000	21,200	3,000	26,800
Colombia	6,550	6,500	7,200	6,900	6,800
Ecuador	422	630	525	715	710
Peru	251	605	630	670	675
Venezuela	472	370	395	290	305
Other ^{5/}	44	73	77	72	72
Total South America	31,099	28,178	30,027	11,647	35,362
Africa:					
Angola	1,427	3,050	2,750	3,145	3,040
Burundi ^{6/}	7/	105	245	195	220
Cameroon ^{8/}	396	805	775	870	920
Central African Republic	^{3/} 37	100	205	145	170
Congo (Leopoldville)	1,164	1,050	1,050	750	950
Ethiopia	850	1,150	1,250	1,200	1,215
Guinea	^{9/} 105	200	160	155	155
Ivory Coast	2,063	3,300	4,300	3,450	4,750
Kenya	399	615	720	655	780
Malagasy Republic	812	900	735	950	785
Rwanda ^{6/}	7/	80	140	150	160
Tanzania ^{10/}	369	455	530	560	575
Togo	121	175	225	195	220
Uganda	1,454	2,930	2,885	2,585	2,785
Other ^{11/}	308	367	396	398	405
Total Africa	9,505	15,282	16,366	15,403	17,130
Asia and Oceania:					
India	223	365	620	460	500
Indonesia	1,120	2,080	1,600	1,850	1,650
Philippines	---	---	---	---	---
Yemen	74	72	70	80	90
Other ^{12/}	63	135	139	147	147
Total Asia and Oceania	1,480	2,652	2,429	2,537	2,387
World exportable production	48,473	53,416	56,891	37,121	63,358

^{1/} The coffee marketing season begins during the second half of the calendar year starting in some countries like Brazil as early as July 1 and in other countries about October 1. Exportable production represents total production minus consumption, except for Brazil prior to 1959-60 which was based on "registrations" of current crop minus port consumption and coastwise shipments. ^{2/} 132,276 pounds each. ^{3/} 2-year average. ^{4/} Includes Guadeloupe, Hawaii, Jamaica, and Puerto Rico. ^{5/} Includes Bolivia, British Guiana, Paraguay and Surinam. ^{6/} Prior to 1962-63, was shown as Ruanda-Urundi. ^{7/} Shown in Congo (Leopoldville) prior to 1959-60. Combined exports for Rwanda and Burundi in 1959-60 totaled 160,000 bags. ^{8/} Beginning with 1961-62 includes West Cameroon. Prior to 1961-62 this area was identified as Southern Cameroon and its production was included with Nigeria. ^{9/} 3-year average. ^{10/} Prior to 1964-65 year was shown as Tanganyika. Now includes Zanzibar as well. ^{11/} Includes Cape Verde, Comoro Islands, Dahomey, Gabon, Ghana, Liberia, Nigeria, Congo (Brazzaville), Sao Tome and Principe, Sierra Leone, and Spanish Guinea. ^{12/} Includes Malaysia, New Caledonia, New Hebrides, Papua and New Guinea, Portuguese Timor and Vietnam.

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Weather conditions have been good in Honduras and production there appears to be up in 1965-66. A combination of good weather, a favorable year in its coffee cycle, and better cultural practices have led to predictions of a record crop in Mexico. Production in Trinidad and Tobago is down and is now expected to be less than in 1964-65.

South America: Total 1965-66 production in South America is expected to reach 44.7 million bags, more than double the 1964-65 figure of 20.7 million, while an exportable production of 35.4 million bags is more than triple the 1964-65 total of 11.6 million.

The basic reason for the jump to an almost record level in 1965-66 after the low of 1964-65 was largely the recovery of the production in Brazil. Production in that country in 1965-66 is now estimated at 34.0 million bags and there are some estimates that go even higher. Exportable production for the same year will be about 26.8 million bags. During the previous year, only 10.0 million bags were produced, 3.0 million of which were considered exportable (total production minus domestic consumption). The 1965-66 crop in Colombia is still estimated at 8.0 million bags, with exportable production at 6.8 million. The 1964-65 estimate has been lowered slightly to 8.0 bags, of which 6.9 million is exportable.

The 1965-66 crop in Ecuador is expected at least to equal that of 1964-65, which in itself was larger than predicted earlier. The Peruvian crop remains near previous estimates, but the estimate is down slightly in 1965-66 in Venezuela. Also, domestic consumption in the latter country appears to be increasing faster than previously estimated.

Africa: Total coffee production in Africa in 1965-66 is now estimated at 17.9 million bags, compared with 16.2 million in 1964-65. Exportable production is about 17.1 million bags, compared with 15.4 million a year earlier.

The principal increase in Africa came in the Ivory Coast, where the crop is estimated to be up more than a million bags over 1964-65. Sizable increases are also estimated in the Congo (Leopoldville), which is trying to recover from the political disorders which affected the 1964-65 crop, and in Uganda. In Angola, Africa's second-largest producer, the total output is estimated to be down slightly from 1964-65. Production continues to increase in most other African countries.

Asia and Oceania: Total production in Asia and Oceania is estimated to be down slightly in 1965-66 to a level of 4.3 million bags, of which 2.4 million is exportable. The respective figures for 1964-65 were 4.4 million bags total, and 2.5 million exportable.

Production in India is now expected to be down slightly from 1964-65, although exportable production will probably be up. This may be attributed to the fact that India's Coffee Board controls the amount of coffee released for domestic consumption.

World Trade and Developments

World imports dropped considerably during the 1964-65 (October-September) coffee marketing year. As prices firmed and held in 1965, importing countries drew heavily on the stocks that had been built up during 1964. As a result, stock levels in importing countries dropped. As the large 1965-66 crop started to come in, however, stocks started to build again; but these new increases are taking place primarily in producing countries because the International Coffee Agreement limits the amount of coffee going into world trade. Brazil, which was able to move some of its stocks in 1964-65 following the small crop that year, will probably add eight or more million bags to its stockpile in 1965-66.

Green coffee prices reached their 1965 low in May, 1965. The International Coffee Agreement's new "indicator price" mechanism went into effect at that point, however, and this was followed by a firming of prices that held throughout the rest of the year. The New York spot price of African Robustas (Ambriz AA's) rose from a low monthly average of less than 23 cents per pound in May, 1965, to more than 36 cents in December--a rise of more than 55 percent. The overall green coffee level rose only about 10 percent during the same period.

Imports of green coffee into the United States from October 1, 1964, through September 30, 1965, totaled 20,179,063 bags, valued at \$1,039,931,784. This compared with 23,274,179 bags, valued at \$1,126,714,504 during the same period in 1963-64. There was thus a drop of 13 percent in the quantity of green coffee imported, while the drop in value was only 8 percent.

According to the U. S. Department of Commerce, total inventories of green coffee in the United States on September 30, 1965, were 2,654,000 bags, or down about 35 percent from a year earlier. Coffee roastings were also down and, at 21,515,000 bags, were 6 percent below the October, 1963 - September, 1964 level. Included in these totals are roastings for soluble coffee of 3,596,000 bags (green weight) in 1964-65, compared with 3,932,000 bags a year earlier.

The International Coffee Council met in London in December and discussed the problems which still plague the International Coffee Agreement. The principal action taken at the meeting was to grant export waivers to the 22 members which were seeking revision of their basic quotas. This was a temporary solution to the problem of basic quotas, production goals, etc., which will be major items on the agenda of the next ICC meeting, probably taking place in mid-1966.

GREEN COFFEE: Exports for specified countries by country of destination, calendar year 1963

Country of destination	Angola	Brazil	Colombia	Guatemala	Ivory Coast	Mexico
	Bags 1/	Bags 1/	Bags 1/	Bags 1/	Bags 1/	Bags 1/
Europe:						
Austria	3,333	22,047	1,108	3,439	2/	---
Belgium-Luxembourg	58,067	398,258	147,837	38,490	34,133	22,388
Czechoslovakia	500	108,159	5,613	---	2/	1,667
Denmark	3,333	575,746	37,147	5,277	2/	2,759
Finland	9,483	418,155	146,486	23,341	2/	1,955
France	76,400	422,574	54,223	2,855	1,195,967	5,305
Germany, East	---	261,732	80,043	---	2/	---
Germany, West	79,683	564,951	885,094	319,097	46,750	113,658
Greece	---	108,795	---	---	3,583	---
Hungary	500	99,390	8,582	---	2/	---
Italy	3,083	1,077,532	74,617	8,211	118,083	4,503
Netherlands	497,666	547,096	276,155	108,818	52,117	9,331
Norway	6,550	340,921	50,527	7,173	2/	522
Poland	---	51,683	34,572	---	2/	5,833
Portugal	144,700	---	---	---	2/	---
Spain	10,833	116,178	235,066	2,117	2/	66,257
Sweden	8,033	944,114	277,468	12,524	2/	3,450
Switzerland	30,667	49,588	23,108	11,696	4,983	3,583
United Kingdom	140,183	111,682	101,845	734	46,783	115
USSR	---	291,703	---	---	2/	---
Yugoslavia	---	172,688	33,334	---	2/	8,333
Others	1,667	166,800	---	172	2/	---
Total	1,074,681	6,849,792	2,472,825	543,944	1,502,399	249,659
North America:						
Canada	3,667	278,750	128,327	3,506	2/	15,219
United States	1,224,517	6,348,939	3,729,105	890,585	1,172,650	1,487,870
Others	---	12,269	---	83	2/	---
Total	1,228,184	6,639,958	3,857,432	894,174	1,172,650	1,503,089
South America	---	559,678	36,321	---	2/	1,552
Africa	8,268	346,353	1,835	370	433,217	---
Asia & Oceania	517	550,460	43,294	7,716	2/	18,264
Not specified	17	---	409	---	296,250	---
Grand total	2,311,667	14,946,241	6,412,116	1,446,204	3,404,516	1,772,564

1/ 132.276 lbs. each. 2/ Not available. If there were any exports to this destination, they are included in "Not Specified" figure below.

Coffee: Export value as percent of total exports
1960-64 ^{1/}

Continent and country	Year				
	1960	1961	1962	1963	1964
	Percent	Percent	Percent	Percent	Percent
North America:					
Costa Rica	50.5	49.0	55.5	49.7	42.2
Dominican Republic	12.0	10.0	11.5	10.6	16.8
El Salvador	65.7	58.9	55.5	48.5	50.9
Guatemala	69.8	62.8	62.4	49.5	36.5
Haiti	51.3	41.0	69.8	36.8	47.8
Honduras	18.9	13.0	14.7	17.3	17.9
Mexico	9.7	9.0	7.9	4.6	9.2
Nicaragua	30.5	25.4	17.1	16.4	19.6
South America:					
Brazil	56.2	50.6	52.9	53.1	53.1
Colombia	71.7	70.9	72.9	69.4	73.5
Ecuador	21.4	15.1	17.8	13.8	16.7
Peru	4.3	4.6	4.5	4.7	5.6
Venezuela8	1.0	.7	.9	.7
Africa:					
Angola	35.0	36.1	43.7	40.1	48.7
Congo, Leopoldville	13.0	N.A.	3.8	6.8	N.A.
Cameroon	19.0	21.2	20.4	20.2	27.6
Ethiopia	54.4	49.6	53.7	49.6	60.5
Ivory Coast	50.0	46.2	39.7	43.1	42.6
Kenya	29.2	30.0	27.9	25.1	32.7
Malagasy Republic	31.5	29.0	31.9	28.9	27.0
Tanzania	14.0	12.7	12.8	10.8	15.8
Uganda	35.2	30.4	53.6	52.8	54.9
Asia and Oceania:					
India	1.0	1.1	1.2	1.1	1.0
Indonesia	2.3	1.0	1.8	N.A.	N.A.

^{1/} The above table is subject to revision.

N.A. = Not available.

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