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WORLD COFFEE SITUATION

The third USDA estimate of the world coffee crop for 1983/84 is 91.7 million bags, 1/ of which about 70.4 million bags would be available for export. The decrease of 1.9 million bags from the second USDA estimate is due mainly to downward revisions in production estimates caused by heavy and persistent pre-harvest rainfall in Brazil and Ecuador and severe moisture shortages prior to and during the blossom period in India and Guatemala. The effect of the lower estimates on the coffee market may be minimal in view of the large stocks which exist in producing countries. However, the quality of the crop--especially in Brazil--was harmed, creating an upward pressure on coffee prices in general and "other milds" in particular. Although the spread of coffee rust continues, most recently into Colombia and Costa Rica, rust and political instability still play a relatively minor role on the availability of good quality coffee for consumption in the world market.

OUTLOOK

There will be fluctuations from year to year due mainly to weather, but world coffee production has probably leveled off. There are no major expansion programs underway and those undertaken since the 1975 Brazilian frost and subsequent high prices have largely run their course. Coffee production will probably decline slightly through the rest of the 1980's and into the 1990's as lower real coffee prices and, to a lesser extent, government policies discourage continued expansion.

World coffee demand will grow slowly, at best, through this decade and into the 1990's. Consumption growth in Western Europe, Japan and Australia, which was primarily responsible for increased coffee demand in the 1960's and 1970's, appears to have leveled off. Purchases by the 15 largest coffee importers grew by only 1.4 percent in 1982. Even with the improved economic conditions, growth of no more than two percent is expected in 1983/84.

Much of the growth in Western Europe, Japan and Australia over the last two decades was offset by declining consumption in the United States. U.S. green coffee imports fell from a peak of 24.5 million bags in 1962 to about 17.2 million bags in 1983. The U.S. coffee trade and the International Coffee Organization (ICO) are intensely concerned by the lack of growth in

1/ Unless indicated otherwise, production and trade figures are given in terms of 60 kilogram (132.28 lbs.) bags. Area is given in hectares (2.471 acres). GBE means green bean equivalent.

the world's largest coffee market and have launched several initiatives to reverse this trend. Among these is a major TV advertising campaign sponsored by the National Coffee Organization (NCA) and the ICO Promotion Fund. This campaign, which began in the fall of 1983, is targeted at younger people, 18-34, who are not in the habit of drinking coffee.

There has been a growing interest in the United States in specialty or gourmet coffee, which is generally considered to be high-quality Arabica sold to the consumer in the whole bean form. While this trend is encouraging, specialty coffee represents only about 3 percent of consumption and is not likely to become a major factor in the market.

GLOBAL ANALYSIS

Exports

World coffee exports are now expected to total nearly 66.8 million bags during crop year 1983/84, up 2.5 percent over 1982/83. Members of the ICO will probably export 56.0 to 57.5 million bags to member importing countries and 8.7 to 10.2 million bags to non-member countries. Non-member shipments should total about 500,000 bags including 300,000 to ICO members and 200,000 to non-members. Despite the continuation of relatively attractive prices, non-member importers could buy more than 1 million bags less than the 10.1 million bags taken in 1982/83, preferring instead to draw down on stocks built up over the last year or two of attractive prices. Tightened control measures will also reduce the limited flow of coffee that is ostensibly destined for non-member countries but seeps into member country markets. The following ICO data on exports from members to non-members by coffee type, October-September 1979/80-1982/83, indicate that much of the growth in sales to non-members has occurred among Arabica producers other than Brazil and Colombia.

<u>Exporting Group</u>	<u>Coffee Years</u>			
	<u>(1,000 bags)</u>			
	<u>1979/80</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>
Colombian Mild Arabicas.....	969	1,122	1,609	999
Other Mild Arabicas.....	1,183	1,881	2,598	4,748
Brazil & Other Arabicas.....	2,126	2,749	1,681	1,907
Robustas.....	1,790	1,930	3,097	2,622
Total <u>1/</u>	6,068	7,681	8,984	10,277

1/ Totals may not add due to rounding.

The following were the largest exporters of coffee to non-member countries, in thousands of bags, for coffee year 1982/83 (1981/82 comparisons in parentheses): Colombia 709 (943); Kenya 136 (402); Costa Rica 604 (336); Ecuador 419 (349) El Salvador 375 (2); Guatemala 235 (651); Honduras 481 (6); India 483 (602); Mexico 1,243 (38); Nicaragua 441 (171); Brazil 1,735 (1,572); Indonesia 1,567 (1,450); and the Ivory Coast 404 (786).

Actual intra-ICO exports in coffee year 1982/83 of 55.0 million bags were 215,000 bags below the final quota for the year. The largest difference occurred for Angola which exported only 192,458 bags against a 350,000 bag export authorization.

World Coffee Stocks

Over 90 percent of the world's coffee stocks are held by producers. More than adequate world supplies and the ICO quota system reduce the risk of carrying smaller inventories in consuming countries. Inventories in importing member countries of the ICO have declined from 8.27 million bags on June 30, 1980, shortly before the beginning of the first quota year under the 1976 Agreement to about 4.47 million bags on June 30, 1983. Stocks in the United States are estimated to have declined from 2.88 million bags to 1.20 million over that period.

Stocks held by producing countries are now forecast to increase in crop year 1983/84 by about 4.0 million bags, from 42.85 million bags, equivalent to a half-year's world consumption requirements. This is less than had been anticipated due to slightly smaller harvests than expected in some countries. Most (3.7 million bags) of the increase will occur in Brazil which would prefer a larger stock reserve against the possibility of substantially reduced output from another severe frost. Most of Brazil's 9.63-million-bag carryout stock on June 30, 1984, is expected to be of comparatively poor quality.

Year-end stock levels in producing countries other than Brazil grew by about 4.17 million bags in 1982/83. Some countries with heavy stocks and poor economies found themselves forced to seek outlets in non-ICO markets while others were building towards this situation. Since the ICO seems unlikely to implement a production policy, producers will have to bring their production into line with what they can market. This seems possible in most if not all countries.

The location of carryover stocks in thousands of bags at years-end, by coffee type, is foreseen as follows:

Area	Crop Year					
	1982/83			1983/84		
	Arabica	Robusta	Total	Arabica	Robusta	Total
North America, Central:						
America and Caribbean:	6,321	18	6,339	5,782	15	5,797
South America.....:	18,707	700	19,407	23,047	1,200	24,247
Africa.....:	4,795	8,700	13,495	4,960	8,730	13,690
Asia & Oceania.....:	883	2,625	3,606	810	2,222	3,107
Total.....:	30,706	12,043	42,847	34,599	12,167	46,841

1/ Includes other types, mainly Liberica.

World Prices

Coffee quotas for ICO members are controlled by the 15-day moving average of the Composite Indicator Price (CIP). For coffee year 1982/83 the CIP remained within the preferred range of 120 to 140 cents per pound. On entering the new coffee year on Oct. 1, 1982, the indicator price stood at 124.72 cents. It fell slightly to 122.48 cents on April 21 before rising at year's end to 129.90 cents on September 30--the highest level for the year. Since then, prices have risen steadily. On December 19, the CIP reached the \$1.40-per-pound level, triggering the release of an additional 1 million bags of export quota.

The consensus of the trade indicated that the opposite would happen. It felt that mounting stock levels and prospects of a much larger harvest in 1983/84 measured against very weak growth in consumption would force a decline in prices barring a heavy frost in Brazil. The decline did not occur, largely because of the artificial market conditions created by the International Coffee Agreement (ICA)--principally that of quotas keeping world supply/demand in a tight balance. The price rise near the end of the coffee year indicated a much closer market balance than anticipated at mid-year when a 1-or 2-million-bag surplus in the quota system seemed likely.

Spot coffee prices for mild Arabicas increased by 18 percent between August and the end of 1983 while Robusta prices increased by only about 13 percent. The availability of good quality Brazilian Arabicas was greatly reduced following the heavy rains that fell in that country last May and June. In order to have adequate coffee stocks for processing, roasters contracted for coverage in mild Arabicas from Central America resulting in higher prices for these coffees. A tight Robusta supply had also been created at year's end by weather conditions in the Ivory Coast which delayed deliveries and reduced quality, and by overland transportation problems in Uganda.

Fears of squeezes in the futures market also contributed to the stronger prices. These fears stemmed mainly from several factors: a decline in stocks deliverable against the "C" contracts from 180,000 bags in July to less than 30,000 in early December, uncertainty over the International Longshoreman's Association contract dispute, talk of disruptions by Colombian dockworkers, and impoundings of coffee by the U.S. Customs Service.

Prices to Growers

According to the following ICO data, the dollar equivalent of prices received by growers in 1982 in major exporting countries ranged from 38.53 cents per pound in the Ivory Coast to 113.33 cents per pound in Kenya. Grower prices reflect a number of factors, including coffee quality and the efficiency of the marketing system. However, the most important one is the portion of sales revenues taken by governments through taxation or other means.

PRICES TO GROWERS IN EXPORTING MEMBER COUNTRIES
 SEPTEMBER 1977 TO 1982
 (In cents per pound)

	1977	1978	1979	1980	1981	1982
<u>Washed Arabicas</u>						
Colombia.....	89.55	83.94	81.57	81.58	74.48	75.97
Costa Rica.....	139.80	110.09	86.65	109.65	69.50	60.37
El Salvador.....	196.55	90.05	114.39	52.14	60.35	67.68
Guatemala.....	100.09	84.11	75.73	82.44	68.04	83.82
Honduras.....	169.11	83.23	106.89	56.01	66.51	63.50
Kenya.....	218.86	155.79	164.51	153.66	102.10	113.33
Mexico.....	108.20	86.64	89.82	112.53	90.59	51.98
Nicaragua.....	173.88	119.57	126.47	98.12	102.43	105.87
Tanzania.....	74.93	68.43	78.54	85.93	100.94	86.52
<u>Natural Arabicas</u>						
Brazil.....	83.75	72.07	72.15	69.87	50.39	55.12
Ethiopia.....	58.57	76.89	64.23	55.27	55.12	70.12
<u>Robustas</u>						
Cameroon.....	35.94	52.00	60.48	67.62	51.43	42.38
Indonesia.....	106.13	86.46	75.68	61.67	34.39	45.36
Ivory Coast.....	33.18	52.00	54.00	65.44	48.22	38.53
Uganda.....	27.25	42.11	88.48	86.24	22.50	45.36

U.S. SITUATION

U.S Imports and Roastings

U.S. imports of green coffee during coffee year 1982/83 reached 17.1 million bags valued at \$2.62 billion. This was up 0.2 percent in volume and 1.2 percent in value from year earlier levels. Imports from Brazil rose 8.7 percent to 3.59 million bags, while imports from Colombia expanded 7.3 percent to 1.80 million bags.

Imports of Robusta and unwashed Arabica have risen substantially over the past few years while other milds and Colombian milds shares have declined, perhaps indicating a trend towards the purchase of less expensive coffee in the United States.

Virtually all U.S. imports are from ICO member countries. The United States, however, has the authority to import up to 109,150 bags from non-member countries for coffee year 1983/84 on a first come-first served basis.

A comparison of U.S. imports by countries of origin for coffee year 1981/82 and 1982/83 appears in Table 5.

According to reports to the George Gordon Paton & Co. from a representative group of United States roasters, the amount of green coffee roasted in the United States, including that used in producing soluble coffee, through December 24, 1983 was about 97.8 percent of the amount roasted in the comparable period in 1982, and was about 97.0 percent of the amount roasted to that date in 1981.

U.S. Prices

The average monthly wholesale price for ground roast coffee in the United States in all size packs rose slightly from \$2.53 per pound in January 1983 to \$2.56 per pound in November while the price for instant coffee rose more sharply.

UNITED STATES: AVERAGE MONTHLY WHOLESALE PRICES FOR COFFEE, 1982 AND 1983
(In cents per pound)

Month	Ground Roast		Ground Roast		Soluble	
	All Sizes		1 lb. cans		16 ozs	
	1982	1983	1982	1983	1982	1983
January.....	244.5	253.9	239.0	245.1	703.5	724.7
February....	248.0	254.4	242.1	244.6	697.9	731.5
March.....	249.9	255.7	245.3	248.2	698.5	736.0
April.....	251.7	252.8	243.8	243.2	698.5	740.0
May.....	249.6	252.7	240.9	242.6	698.4	739.7
June.....	248.5	252.8	241.1	242.9	698.5	736.5
July.....	248.4	253.0	241.1	243.3	696.6	738.8
August.....	247.0	252.5	239.0	242.6	698.8	738.7
September..	247.2	252.4	240.8	242.4	691.9	738.7
October....	248.8	254.1	243.0	245.2	694.5	739.0
November...	250.7	256.1	244.2	245.6	704.4	744.4
December...	255.0		245.1		712.9	
Average..	249.1		242.1		699.5	

SOURCE: Bureau of Labor Statistics, U.S. Department of Labor.

U.S. Coffee Consumption 1/

According to ICO's Coffee Drinking Study, Winter 1983, U.S. coffee consumption continued the decline began in 1962. In 1983 the proportion of coffee drinkers in the United States declined 1.1 percent, the largest one-year fall since 1978. The 1983 level was nearly 20 percent below the 1962 peak.

	Percentage of Coffee Drinkers			
	1962	1981	1982	1983
All Coffee.....	74.7	56.4	56.3	55.2
Regular.....	59.3	38.4	37.3	37.1
Soluble.....	23.5	23.2	23.6	21.7

Those drinking coffee consumed slightly less (0.6 percent) than they did in 1982. On an average, 1.85 cups were consumed per person per day in 1983, compared to 1.90 cups per day in 1982 and 3.12 cups per person per day in 1962 when consumption was at its peak.

Approximately seven of every ten cups of coffee consumed in 1983 was regular coffee. One in every seven persons drank decaffeinated coffee, up from one in every 25 in 1962.

Although coffee has remained the most popular beverage in the United States, it now has only a narrow margin over soft drinks.

Type of Drink	Percentage Drinking			
	1962	1981	1982	1983
Coffee.....	74.7	56.4	56.3	55.2
Tea.....	24.7	32.6	31.6	31.8
Milk.....	53.6	50.4	48.9	48.8
Soft Drinks.....	32.6	51.8	52.9	55.1
Juices.....	41.4	47.5	44.5	44.8

In the past year the percentage of Americans drinking coffee has continued to decrease for all age groups, with the largest drop occurring among persons 30 and older. However, consumption in the under-30 age group has shown the most significant long-term decrease as young people turn to other beverages.

INTERNATIONAL COFFEE ORGANIZATION

After two weeks of negotiations in Council, members of the International Coffee Organization (ICO) reached agreement Sept. 30, 1983 on price and export quota levels for coffee year 1983/84. Distribution of quotas for the year had been agreed on at the last year's meeting. The most controversial issues at the session dealt with controls over the movement of coffee from members to non-members and the import of non-member coffee by ICO members.

Quotas and Price Range

An initial global quota of 56.2 million bags was set for 1983/84, 2 percent above the 55.5 million bags exported to members during coffee year 1982/83. The annual quota did not include an approximately half-million bags that may be imported from non-member producers. This level was accepted with the understanding that the preferred price range would remain unchanged from 1982/83 at between \$1.20 and \$1.40 per pound. Under the agreement, the larger producing members with basic quotas will be entitled to an initial quota of 53,633,086 bags (Table 5). Countries in this group, other than

1/ Information in this section is based on the ICO's Coffee Drinking Study, United States of America, Winter 1983.

Angola and the Philippines, will also share in any 1-million-bag upward or downward adjustments in the global quota as shown on Chart 1. Smaller exporting members--those exempt from basic quotas, excluding those in the eight member African and Malagasy Coffee Organization (OAMCAF) group--have a combined initial quota of 2,566,914 bags. Up to two increases or decreases of 1 million bags each in the global quota can be made each quarter. Any shortfalls declared by individual members are distributed pro rata among members of their own group willing and able to share in the increase.

Controls

By Resolution Number 329 effective Nov. 1, 1983, ICO members hoped to strengthen controls on member country exports to non-members to prevent diversions. For direct shipments, exporting members must now provide the ICO Executive Director with documentary evidence, within 90 days after the month of export, that the coffee has been imported by the non-member or state why the necessary evidence could not be provided. A different set of requirements apply for exports destined for non-member countries passing through transshipment ports in Europe or elsewhere.

ICO Quota Increase

When the 15-day moving average of the CIP reached \$1.4004 on December 19, it triggered an immediate 1-million-bag upward adjustment in export quotas, bringing the total to 57.2 million bags for coffee year 1983/84. The increase will be distributed pro rata to the following exporting members entitled to a share of the increase.

DISTRIBUTION AMONG EXPORTING MEMBERS ENTITLED TO A BASIC QUOTA OF THE INCREASE OF ONE MILLION BAGS IN THE ANNUAL QUOTA

<u>Colombian Milds</u>	199,398	<u>Other Milds (con't.)</u>	
Colombia	161,342	Papua New Guinea	11,496
Kenya	24,578	Peru	12,983
Tanzania	13,478		
		<u>Brazilian and</u>	
		<u>Other Arabicas</u>	331,505
<u>Other Milds</u>	231,509	Brazil	305,540
Costa Rica	21,407	Ethiopia	25,965
Dominican Republic	9,415		
Ecuador	21,506	<u>Robustas</u>	237,588
El Salvador	44,399	Indonesia	45,093
Guatemala	34,389	OAMCAF	118,529
Honduras	14,767	Philippines	8,954
India	12,289	Uganda	44,002
Mexico	36,173	Zaire	21,010
Nicaragua	12,685		

Because the increase occurred so late in the quarter, many member countries were expected to be unable to export their new authorization before the end of calendar 1983. The unexported balance can be carried into succeeding quarters of the new coffee year. The CIP did not remain at or above the \$1.40 trigger price level for an additional 15 market days, thus a second 1-million-bag increase was not authorized.

Promotion

A generic promotion campaign costing up to \$30 million has been launched in the United States. It is being financed equally by the National Coffee Association of the United States and the ICO's Promotion Fund.

Executive Board Activities

In its December 5-7 meeting, the Executive Board advanced the release of the final 1 million bags of first quarter 1983/84 export quota from December 15, 1983 to December 8, 1983 in order to avoid shipment difficulties during the holiday season, and deferred all decisions on requests for quota increases except for Jamaica whose annual quota was raised from 17,388 bags to 25,000 bags. The Executive Board has scheduled its next meeting for Feb. 13-24, 1984, when working groups will discuss such issues as selectivity (separate trigger prices for each of the four different types of coffee) production policy, controls on member imports from non-members, and shortfalls and undershipments. This will be followed by a Council meeting April 2-13, 1984.

Membership

On Nov. 9, 1983, Equatorial Guinea joined the 1983 International Coffee Agreement as an exporting member bringing the organization's membership to 73 countries, comprised of 48 exporters and 25 importers. Exporting members are listed on Table 6. Importing members are:

Importing Members (25)

Australia	Japan
Austria	Netherlands
Belgium/Luxembourg	New Zealand
Canada	Norway
Cyprus	Portugal
Denmark	Singapore
Fiji	Spain
Finland	Sweden
France	Switzerland
Germany, Fed. Rep. of	United Kingdom
Greece	United States
Ireland	Yugoslavia
Italy	

Zambia has applied to join the ICA, but no decision has yet been taken.

PRODUCTION AND TRADE

North America, Central America and Caribbean

Coffee production in North America, Central America and the Caribbean is estimated at 15.5 million bags for 1983/84, with exportable production set at 11.5 million bags. The decline reflects the expected smaller harvests in El Salvador, Guatemala and Nicaragua. Present estimates are 10.8 and 14.4 percent, respectively, below total and exportable estimates for 1982/83.

The estimate of Costa Rica's 1983/84 (October/September) coffee crop remains unchanged at 2.07 million bags, down roughly 15.5 percent from the record 1982/83 harvest. The decline is normal after a bumper harvest. Government programs are aimed at providing credit to small and medium-sized producers so they can adopt better pruning methods, raise fertilization levels, and replace older, marginally productive trees with newer varieties planted at greater density. The government has recommended this be done on a row by row basis until tree density is raised from 3,750 to 5,000 per hectare. There is no credit available for an expansion in coffee area.

Because its exportable production far exceeds its ICO quota, Costa Rica has had to aggressively seek markets among non-member countries. During the past two years, these exports have risen from 336,000 bags to 604,000 bags. The country hopes to expand these sales even more in 1983/84 through barter arrangements with Israel and Argentina in exchange for agricultural inputs and grains.

Despite of increased sales to non-members, stocks will grow to an estimated 1.12 million bags at the end of the current year (1983/84), up from 100,000 bags on Sept. 30, 1980. Increased domestic consumption does not appear to be a solution for excess production either, as that level has remained unchanged at 220,000 to 240,000 bags for several years.

In December the presence of rust was confirmed in Costa Rica, the last major Central American country to be affected. As of mid to late December 1983, rust was identified at 27 locations on 15 farms affecting 1,000 hectares of coffee. The Ministry of Agriculture has established a rust commission.

Coffee production for the 1983/84 (July/June) harvest in the Dominican Republic is forecast to fall nearly 30 percent below the near record 1.1 million bags from the 1982/83 crop. The big drop indicates the profound effect of the "good year-bad year" cycle on a country with older trees lacking fertilizer, pest control and proper pruning. The crop is grown mainly on small plots in a semi-wild state in mountainous terrain.

During the 1982/83 crop year, the Dominican Republic exported about 507,000 bags, mainly beans, to quota markets. The country lost its market for ground roasted market in Puerto Rico to Costa Rica which offered better prices. Over 86 percent of 1982/83 crop exports went to the United States.

Forecasts for the 1983/84 (October/September) harvest in El Salvador vary significantly from 1.9 to 3.0 million bags. Despite the wide range, the consensus is that the crop will be down. The crop was affected by cooler than normal weather during the March-April flowering period and by dry weather during July when the cherries were being formed. The drop was especially evident in the major growing areas of Sonsonate and Ahuachapan. In addition, use of fertilizer and insecticides has declined because of rising costs. Harvesting of the crop in the eastern provinces of San Miguel and Usulután has been affected by threats of reprisals against coffee workers who fail to demand a pay increase of a dollar a day over the present \$3.50 daily wage. Work stoppages were reported at some plantations. Although production has not been significantly reduced by guerrilla activities, recent economic losses associated with attacks on coffee mills have exceeded \$10 million.

Few new coffee trees have been planted in El Salvador since 1980/81 and there has been no expansion in area. Substantial debt burdens and the lack of financing for conversion to other crops make it unlikely that marginal coffee areas--estimated at 20 percent of the total--will be taken out of coffee production in the near future.

Coffee exports during 1982/83 rose 600,000 to 700,000 bags as the result of larger sales to non-member markets, especially Poland and Israel.

At 2.59 million bags, Guatemala's 1982/83 (October/September) coffee crop was 2.3 percent below the 1981/82 harvest. The 1982/83 harvest turned out larger than anticipated because some producers held their stocks until after the mid-year reduction in export taxes was announced. A further decline to 2.34 million bags can be expected in 1983/84 because of the extended mid-year dry period that inhibited flowering, and by excessively heavy showers at the beginning of the cherry formation period.

In an effort to revitalize the Guatemalan economy, the government has made \$50 million in credit guarantees available to export-oriented commodity producers. It also plans the elimination of all export taxes on coffee by July 1985.

The gradual elimination of taxes and a reduction of guerrilla activity have encouraged producers to bring abandoned plantations back into production and to improve yields as evidenced by the increased demand for fertilizers and pesticides. Output could soon total well over 3 million bags per year.

Guatemala's 1982/83 ICO export quota of 1,768,764 bags of green coffee, including the GBE of small quantities of soluble, was shipped to some 20 countries. Coffee exports destined for non-ICO markets amounted to only 238,751 bags, compared with 642,942 bags during 1981/82.

Unfavorable producer returns, less than ideal weather, the coffee cycle and rust are expected to result in a Honduran coffee harvest of 1.35 million bags for 1983/84 (October/September), down more than 23 percent from the preceding year's record harvest. Due to a reduction in the country's ICO export quota--from 960,000 bags in 1981/82 to 772,050 bags in 1982/83--there was a substantial decline in average returns passed on to producers.

The Honduras Coffee Producers Association (AHPROCAFE) estimates that at least 28,000 hectares, over 20 percent of the planted area, will be seriously affected by rust in 1983/84. A \$9.55-million project of the United States Agency for International Development (USAID) to help smaller coffee producers diversify some land into cardamon, pepper and other crops also involves the development and distribution of rust-resistant varieties.

Export shipments of 1.25 million bags in 1982/83 were up more than 37 percent from the preceding year because of increased sales to non-ICO member countries such as Israel, Saudi Arabia and South Africa. Exports in 1983/84 are expected to decline to about 1.1 million bags as a result of reduced non-member sales.

Honduran coffee stocks are rising rapidly and may exceed 900,000 bags--equal to two-thirds of the year's harvest--by the end of 1983/84.

Mexico's 1983/84 (October/September) coffee crop is estimated at 4.2 million bags, up 100,000 bags from last year. Overall, weather conditions were slightly improved. Output in the important producing state of Chiapas is expected to be above last year's level that was reduced by tropical storms. But the lack of rainfall during the bean maturation period has reduced bean size. Veracruz, the other major producing state, has experienced a second consecutive year of dryness, but production may not have been as badly affected as earlier anticipated. Although bean size for the 1983/84 crop will probably be smaller, quality should be better than 1982/83 beans which matured earlier than normal.

Over the past two years, producers have begun to raise the density of their plantations from 900 to 2,500 trees per hectare and use improved varieties, coupling these efforts with improved pruning techniques adopted from Guatemala.

For the 1983/84 crop the Mexican Coffee Institute (INMECAFE) has set a minimum producer price of 92.5 pesos equivalent to 61 cents per pound, for good quality beans. It is believed that this level will allow a respectable profit for efficient producers.

At 1.7 million bags in 1982/83, Mexico is one of the few producing countries with substantial national consumption. Per capita consumption, which rose from 1.35 kilograms in 1981/82 to 1.40 in 1982/83, is expected to grow even more rapidly when the country pulls out of its current economic slump. Roast/ground sales exceed soluble sales, but soluble coffee is becoming increasingly more popular.

Seeking increased foreign exchange earnings and relief from a growing stock surplus, Mexico exported 1.2 million bags to non-ICO member countries in 1982/83, raising total exports to a record 3.1 million bags. With stocks reduced, non-member sales are expected to drop to about 550,000 bags in 1983/84. In 1982, over 70 percent of Mexico's green coffee exports were to the United States. The United States also took the GBE of about 90,000 bags of processed coffee in 1982/83, a level that could rise in 1983/84.

Less favorable weather conditions and a decline in cultural practices partly resulting from civil unrest will limit the 1983/84 (October/September) Nicaraguan coffee crop to about 910,000 bags, down more than 23 percent from the preceding year. The size and quality of the 1982/83 crop may have been reduced by using inexperienced student and military personnel who failed to harvest ripening cherries in the proper manner.

Although the Nicaraguan government has sought to encourage additional production through price supports and a liberal production credit policy high input costs and uncertain economic conditions have prevented any growth in area or output. Coffee rust is present but under control, with losses at relatively low levels.

Nicaragua has been able to expand sales to non-ICO countries, especially in Eastern Europe, thereby keeping ending stocks at relatively low levels.

South America

South America's 1983/84 coffee crop is now estimated at 47.1 million bags, up 33 percent from the revised figure for 1982/83. Exportable production should rise 47 percent to 35.2 million bags. The significant increase reflects a 12.25-million-bag increase for Brazil from the frost-reduced 1982/83 crop. Compared with the previous estimate of the 1983/84 crop, South American coffee outturn was off more than expected in Brazil and Ecuador as a result of excessive pre-harvest rains.

Based on dehusking yields, the U.S. Agricultural Counselor in Brazil forecast the country's 1983/84 (July/June) crop at 30.0 million bags, up 69 percent from the frost-reduced 1982 harvest (1982/83 year), but 3 million bags below the large 1981 harvest. Volume losses from the unseasonably heavy and persistent pre-harvest rains during May-June 1983 were minimal while cup quality was greatly harmed by the excessive moisture. Final production estimates by states are as follows:

<u>States</u>	<u>Millions of bags</u>
Parana	5.4
Sao Paulo	7.8
Minas Gerais	9.5
Espirito Santo	4.8
Other	<u>2.5</u>
	<u>30.0</u>

Under normal weather conditions a 30-million-bag harvest would have between 7 and 8 million bags or 25 percent inferior cup quality coffee. This year, among the major coffee growing zones of Parana, Sao Paulo and southwestern Minas Gerais; Parana was most seriously affected by the heavy rains because the coffee cherries produced there were much closer to the full ripened stage.

Excessive moisture during the pre-harvest stage causes fermentation of the sugars in the pulp of the coffee cherries producing an undesirable woody/iodine taste technically graded as "Rio Zone Flavor." Most of the coffee grown in Espirito Santo, southeastern Minas Gerais, Bahia and Rio de Janeiro is generally of inferior quality because of a relatively higher rainfall index during the pre-harvest period.

The Brazilian Coffee Institute (IBC) does not restrict exports based on cup quality. All coffee is exportable as long as the quantity of impurities is within IBC-established tolerances. The cup quality and therefore the salability of Brazil's 1983/84 crop could be improved by blending with good cup-quality coffee in inventory.

According to information gathered from exporters and growers' cooperatives, the quality of Brazil's 1983/84 coffee crop can be summarized as follows:

BRAZIL: COFFEE QUALITY, 1983/84 CROP

States and Regions	Estimated Production	Cup Quality		
		Good	Fair	Poor
-----Millions of bags-----				
Parana.....	5.4	0	1.7	3.7
Sao Paulo.....				
Paulista/Noroeste..	3.4	0	0.7	4.5
Araraquarense.....	2.5	0	0.7	1.8
Mogiana.....	1.9	0.7	1.2	0
	7.8	0.7	2.6	4.5
Minas Gerais				
Southwest.....	7.2	2.7	2.5	2.0
Southeast.....	2.3	0.1	0.6	1.6
	9.5	2.8	3.1	3.6
Espirito Santo.....	4.8	0.4	2.1	2.3
Other.....	2.5	0	1.0	1.5
Percentage.....	100	13	35	52

During the first quarter (October/December of coffee year 1983/84), the IBC adopted a policy of adjusting the grower support price monthly to offset the declining value of the cruzeiro caused by inflation.

In 1982/83, Brazil exported 16.9 million bags of coffee, including 1.6 million bags of soluble, GBE. The IBC has forecast exports during 1983/84 at 17,836,000 bags, including 1.8 million bags to non ICO members. In order to take advantage of the additional quota under the ICO increase in December, Brazilian exporters were allowed to ship 25 percent of the January export quota, or about 300,000 bags, in December.

The trend toward rising coffee prices led the IBC to raise minimum export prices for green coffee to \$1.30 per pound effective October 18; up 10 cents per pound from the August 12 price. The contribution quota or export tax was raised by an equal amount in order to maintain the cruzeiro return to exporters and avoid "under-invoicing" by exporters. Minimum export prices for soluble coffee to ICO members remained unchanged at \$3.05 per pound for spray-dried and \$4.00 per pound for freeze dried. As of October 25, the IBC began granting substantial discounts on soluble and green coffee exports to markets outside the ICO to increase sales. The discounts are deducted from the contribution quota.

Brazil's year-end 1982/83 stocks on June 30 are estimated at 9.63 million bags, compared to 5.93 million the preceding year. Most of the carryover stocks were held by the IBC.

Estimate of Colombia's 1983/84 (October/September) coffee harvest is unchanged at 13.0 million bags, down 300,000 bags from the preceding year. Climatic conditions were generally normal for both years, except for adverse weather in mid-1982 that affected the main harvest during the October-December period.

The nation's first outbreak of coffee rust was reported at the end of September, 1983, in Caldas Department--the heart of the main producing area. The outbreak is not expected to reduce the quantity or quality of the 1983/84 harvest.

Production costs are expected to rise significantly in areas where fungicides must be used to control rust. Rust control is calculated to cost the equivalent of \$235 per hectare per year. The presence of rust may initiate or accelerate the trend towards reduced tree density as more space between trees is required for effective spraying. Although funds for renovation of both technically advanced and traditional plantations are still available, there has been a noticeable drop in demand for these funds over the past two years. Small coffee producers generally are tied to this crop because of their lack of income flexibility and a reluctance to assume risks for other agricultural activities with uncertain markets. Thus, most diversification efforts have been undertaken by large producers who are switching marginal coffee lands to pastures, forestry and citrus.

The Colombian Monetary Board increased the domestic grower price for coffee to the equivalent of about 60 U.S. cents per pound, effective Dec. 1, 1983. The same resolution ("103" of Nov. 30, 1983) increased the repatriation requirement, the amount of U.S. dollars exporters must deposit at the Central Bank prior to export, from \$200 to \$204.50 per 70 kilogram bag. The increase reflects the trend in world coffee prices and the need for Colombia to maximize foreign exchange earnings.

Exports during 1982/83 were officially estimated at 9.17 million bags, including the GBE of about 180,000 bags of soluble. The following geographical grouping shows that the European countries continue as the most important markets for Colombian coffee whereas the United States has increased its share of total exports in the last two marketing years.

COLOMBIA: EXPORTS OF COFFEE BY GEOGRAPHIC AREA
Marketing Years 1977/78-1982/83

Marketing Year	United States	Europe	Others	Total
:-----Millions of 60 kg. bags-----:				
1977/78.....	2.20	4.82	.53	7.55
1978/79.....	3.47	6.81	1.15	11.43
1979/80.....	3.18	7.15	1.20	11.53
1980/81.....	1.98	6.04	1.01	9.03
1981/82.....	1.70	6.43	.86	8.99
1982/83 <u>1/</u>	1.78	6.48	.92	9.17

1/ Preliminary

SOURCE: Federacion Nacional de Cafeteros de Colombia

Despite Colombian efforts to expand non-ICO sales, shipments to these destinations declined 25 percent in 1982/83. As representatives of the Coffee Grower's Federation visited some East European countries during the year to encourage their joining the ICO, they simultaneously sought bilateral barter agreements involving the exchange of Colombian coffee for manufactured goods and equipment.

In Ecuador, the outlook is for a harvest of 1.38 million bags in 1983/84 (April/March), down sharply from 1982/83. The picture is clouded by the increased incidence of disease, flower and fruit drop and by impassable roads caused by the heavy, unseasonable rains during October 1982-August 1983. The rains affected only the Arabica crop as Robusta production was relatively normal. The few drying units available could not cope with the large volume of high moisture beans. Thus, most were placed on the ground where they dry slowly and tend to absorb an earthy flavor.

For several years, minimum grower and f.o.b. prices for beans have been based on the price in the New York futures market. As of Oct. 7, 1983, the government extended this policy to include minimum export prices for soluble coffee based on the prices of similar quality coffee in the international market.

Ecuador's total coffee exports are projected at about 1.65 million bags for 1983/84, including 500,000 bags to non ICO members.

The United States remains as Ecuador's most important market, taking 62 percent of total bean and soluble exports in 1982/83.

Projection of Peru's 1983/84 (April/March) production is unchanged at 1.2 million bags, up 100,000 bags from 1982/83. Some abandonment of small coffee plantations has occurred over the past year, especially in La Convencion Valley, in favor of illegal coca growing. But this has been offset by plantings along new roads in tropical sectors of the country. Yields are expected to be somewhat higher despite the adverse effects of coffee rust and broca insect damage. Peru's export potential for 1983/84 will equal the amount of increased production. Peru may be able to find an outlet for a portion of this increase in "new markets." However, most of the additional production will go on top of existing stocks, bringing the total to 580,000 bags by March 31, 1984. Exports during 1982/83 totaled 692,681 bags, including 38,044 bags to "new markets" outside the ICO, especially Argentina.

Venezuelan coffee production in 1983/84 (October/September) is forecast at 1.1 million bags, up 151,000 bags from 1982/83, but down slightly from 1981/82's level. The pattern indicates the cyclical trend of coffee production in Venezuela, as well as the effects of favorable weather and some new plantings coming into production.

Over 90 percent of national production from the 1982/83 crop was consumed domestically. In Venezuela, as in many other countries, cool beverages are beginning to replace coffee as the most popular drink among younger age groups. Although the domestic market could consume the entire crop, the government tries to maintain some export sales in order to keep open its channels to the ICO as an exporter. In 1982/83, exports totaled about 24,000 bags. The United States is Venezuela's most important market.

Africa

African coffee production for 1983/84 will be down 2 percent as a result of large shortfalls in the Ivorian and Central African Republic crops that were not offset by increases in other countries. In the Ivory Coast, coffee production will decline by nearly 600,000 bags as irregular rainfall resulted in poor yields. This also is the "off" year in the alternative year bearing cycle. Drought in the Central African Republic is expected to cut this year's production to 120,000 bags, 61 percent below last year's crop.

Drought conditions between March and June 1983 in Cameroon will hold production for 1983/84 (October/September) below the levels of 1980/81 and 1981/82. Coffee trees are believed to cover 395,000 hectares this year, up 3,000 hectares from 1982/83 or about one-third of the expansion proposed in the government's five-year development plan (1981/82-1985/86). However, declining yields on existing plantations, especially those producing Arabica, seem likely to offset production from the new lands, thus keeping production at about its current level.

The 1983/84 (October/September) coffee crop in the Central African Republic has been dealt a severe blow from the drought, with output expected to decline from 50 to 70 percent. As much as 15 percent of the coffee production area has been damaged and recovery is not expected until 1985/86. The European Development Fund (EDF), the French Assistance Program (FAP), and the African Development Bank have all been active in promoting increased coffee production in the country.

USDA estimates of Ethiopian coffee production for 1982/83 and 1983/84 (October/September) remain unchanged at 3.35 million bags for both years. Export sales during 1982/83 totaled about 1.5 million bags, including 172,000 bags to non ICO members.

The Ethiopian coffee crop suffers large losses because of the semi-wild nature of the trees, poor harvesting and processing methods, spoilage or simply a failure to pick the cherries. In order to improve the crop's quality and quantity, Ethiopia is seeking a \$35-million loan from the International Development Association (IDA) to: improve washing stations, add or upgrade rural roads in coffee areas, provide milling, grading and classification facilities, assist coffee cooperatives, fund training and research; and strengthen the Ministry of Coffee and Tea Development.

Output of coffee in the Ivory Coast for 1983/84 (October/September) at 3.67 million bags remains almost unchanged from the September estimate. The estimate for 1982/83, however, has been raised 360,000 bags to 4.26 million because of excellent harvests in the west and central-west areas which were relatively unaffected by the brush fires and dry weather that swept eastern sections of the country. Field reports for the 1983/84 crop have not been favorable. Yields are down dramatically due to irregular rainfall during the flowering period and an off year in the country's "alternate year" production cycle.

The planted area in coffee for the 1982/83 season is placed at about 1.2 million hectares. Government planners would like to establish and maintain a 1.25 million hectare base of coffee trees in production which would be concentrated mainly in the west and center-west while phasing out aged plantations in marginal climatic areas in the east.

Bean exports of about 3.94 million bags in 1982/83, were more than 500,000 bags below the estimate for the preceding year. Even so, carryover stock levels, which have been financially burdensome to the government in the past, have declined from 2.9 million bags at the end of September 1982 to a projected 2.1 million at the end of September 1984.

Production of coffee in Kenya in 1983/84 (October/September) is expected to fall marginally to 1.510 million bags. As the following table indicates, more than half of Kenya's coffee is produced by members of the small farmer cooperatives.

KENYA: COFFEE PRODUCTION AND YIELDS

Farm Type	1980/81	1981/82	1982/83	1983/84 ^{1/}
-----Metric Tons-----				
<u>Production</u>				
Plantations.....	579,060	573,200	575,182	593,333
Small farmers.....	1,067,950	875,617	872,633	916,667
Total.....	1,647,010	1,448,817	1,447,815	1,510,000
<u>Yields</u>				
Plantations.....	1,057	1,023	1,026	NA
Small farmers.....	756	539	537	NA
Average.....	848	667	662	NA

^{1/} Estimates.

SOURCE: Coffee Board of Kenya, Ministry of Agriculture and Livestock Development.

Yields and bean quality have declined in the small farmer sector, partly because of poor processing at cooperative factories.

No expansion in coffee area is expected for at least several years although the Kenyan government plans to initiate a program to replace older, unproductive trees with newer, higher yielding varieties.

The Government of Kenya is working on a Small Scale Coffee Improvement Program mainly to assist smallholder coffee producers. A major part of the program is the construction and rehabilitation of coffee processing facilities. Since 1981, 79 new facilities have been approved for construction. The Minister of Cooperative Development has also directed that the Kenya Planters Union reactivate the advance payments system that was discontinued during 1980-82. This would enable the purchase of farm inputs at the start of each season rather than piecemeal during the course of the year.

Due to smaller exports to non-quota markets (130,500 bags versus 396,644), total coffee exports declined to 1,426,580 bags during 1982/83, some 16 percent below 1981/82 exports. In 1983/84 exports are forecast to show a slight increase over 1982/83 at 1,440,000 bags due to higher sales to non-quota markets. West Germany, the United States and the Netherlands were the major ICO member country markets. With improved production, lower domestic consumption and nearly the same level of exports, year-end stocks for 1983/84 are expected to increase to about 870,000 bags, 4 percent above 1982/83's ending level.

Asia and Oceania

Production of coffee in Asia and Oceania in 1983/84 is estimated at 9.31 million bags, compared with 9.44 million bags in 1982/83. Exportable production of 6.37 million bags will be down 121,000 bags. Output fell more than 200,000 bags in India and the Philippines due to weather. This decline could not be offset by some production expansion in Indonesia and Papua New Guinea.

In India, initial Coffee Board expectations of a bumper 2.8 million bag 1983/84 harvest were crushed by a lack of moisture from November 1982 through April 1983. This dryness caused wilting, scorching, defoliation and sometimes mortality among seedlings in newly planted areas. These conditions were followed by irregular rains during the April/May flowering season, particularly in the Robusta area, resulting in a poor cherry set and delayed maturation. Up to 40 percent of the crop may have been lost in Karnataka, the largest producing state. As a result, India's 1983/84 (October/September) harvest is now expected to total only about 2.0 million bags, 200,000 bags below the good 1982/83 harvest.

The area under coffee in India believed to be increasing at the rate of 5,000-10,000 hectares per year, should reach 230,000 hectares in 1983/84. India is among a minority of the larger coffee producing countries still actively seeking to expand the area in production. Most of the new plantings are the Robusta variety which does better in areas of uncertain rainfall where the new plantings are occurring. Increased coffee plantings have been instrumental in bringing greater economic prosperity to the hilly districts of the major South Indian coffee producing states.

According to the Indian Coffee Board, coffee exports during 1982/83 slipped dramatically to 1.1 million bags from 1.5 million in 1981/82. The Board has set an export target of 1.3 million bags for 1983/84, which it hopes to achieve through vigorous sales efforts in non ICO countries. Sales of 333,000 bags to the Soviet Union, India's principal market for coffee, are handled by the Board rather than the private trade.

As a result of the poor 1983/84 harvest, carryover stocks should nosedive from slightly over 1.1 million bags to about 880,000 bags, still adequate, but the lowest level for several years.

Coffee production in Indonesia is slowly recovering from the effects of the drought of 1982. Output is estimated at 4.895 million bags for 1983/84 (April/March), up slightly from the 1982/83 harvest, but well below the harvest of 5.785 million bags in 1981/82. Government programs to increase the production of exportable commodities led to a substantial expansion in the area planted to coffee in 1981/82 but the new plantings were largely cancelled by the loss of bearing trees during the drought. Government efforts are now focused on improved cultural practices. The task is formidable since about 90 percent of coffee lands are owned by smallholders who prefer to follow traditional methods. These methods include the collection of unripe cherries resulting in low-quality coffee.

Coffee exports in 1982/83 earned \$360 million, a relatively poor return from the 3.843 million bags exported. About 2.4 million bags were sold to ICO members and the balance to non-members at low prices. An increase in the total export volume to 4.0 million bags is projected for 1983/84. Exporters of coffee receive 0.8 kilograms of coffee export stamps for each kilogram sold to non-member countries. On Oct. 1, 1983 the Government of Indonesia imposed a new classification system, to be implemented over a six-month period, to improve the quality of the country's coffee exports. Ending stocks have declined from 1.8 million bags to 1.6 million bags and a further decline to 1.4 million bags is forecast by the end of 1983/84 on March 31, 1984.

Government restrictions on plantings, other than in blocks of 10 to 20 hectares by small farmers, have limited the increase in coffee area in Papua New Guinea to about 2,000 hectares since 1980. However, output is expected rise as trees planted at greater density in recent years come into full production.

Revised harvest figures for 1981/82 (July/June) show the effects of dry weather and cyclical variations on yield and output. Estimates for 1982/83 reflect a return to more normal yields with output at 890,000 bags. A further increase to 920,000 bags is predicted for 1983/84.

Exports for 1982/83 totaled only 666,978 bags, well below the forecast level, but more in line with available supplies. The coffee industry has indicated it will try to export 900,000 bags, including 300,000 bags to non ICO markets during 1983/84. Reduced sales possibilities and concern that overuse of the coffee stabilization fund to compensate for low prices may limit non-member sales to a lower level.

TABLE 1

COFFEE, GREEN: TOTAL PRODUCTION IN SPECIFIC COUNTRIES - AVERAGE 1974/75-1978/79, ANNUAL 1979/80-1983/84 1/

(IN THOUSANDS OF 60 KILO BAGS) 2/

REGION AND COUNTRY	AVERAGE 1974/75-1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
NORTH AMERICA:						
COSTA RICA.....	1,447	1,522	2,140	1,782	2,450	2,070
CUBA.....	345	372	344	383	350	360
DOMINICAN REPUBLIC.....	881	1,009	1,112	850	1,100	800
EL SALVADOR.....	2,933	3,322	2,940	2,886	2,671	2,453
GUATEMALA.....	2,402	2,647	2,702	2,653	2,593	2,340
HAITI.....	523	669	465	494	700	575
HONDURAS.....	938	1,137	1,265	1,230	1,756	1,358
JAMAICA.....	22	34	20	23	30	26
MEXICO.....	3,784	3,600	3,862	3,900	4,100	4,200
NICARAGUA.....	869	1,019	933	950	1,188	910
PANAMA.....	86	105	142	120	151	153
TRINIDAD-TOBAGO.....	49	37	46	41	37	39
UNITED STATES.....	185	196	243	211	263	224
TOTAL NORTH AMERICA.....	14,463	15,669	16,214	15,523	17,389	15,505
SOUTH AMERICA:						
BOLIVIA.....	114	137	145	135	145	140
BRAZIL.....	19,460	22,000	21,500	37,000	17,750	30,000
COLOMBIA.....	10,090	12,712	13,500	14,342	13,300	13,900
ECUADOR 3/.....	1,334	1,609	1,517	1,792	1,835	1,381
GUYANA.....	17	22	26	26	25	25
PARAGUAY.....	100	31	130	229	271	302
PERU.....	977	1,265	1,170	1,100	1,100	1,260
VENEZUELA.....	942	1,031	1,109	1,130	949	1,100
TOTAL SOUTH AMERICA.....	33,034	38,807	39,097	51,754	35,375	47,146
AFRICA:						
ANGOLA.....	1,367	260	586	392	430	350
BENIN.....	18	5	36	37	50	55
BURUNDI.....	358	466	315	730	359	500
CAMEROON.....	1,523	1,658	1,959	1,953	1,817	1,900
CENTRAL AFRICAN REPUBLIC..	161	230	277	284	308	120
CONGO, BRAZZAVILLE.....	45	43	35	36	32	35
EQUATORIAL GUINEA.....	25	10	15	20	30	35
ETHIOPIA.....	2,833	3,188	3,264	3,212	3,350	3,350
GABON.....	4	8	8	15	29	25
GHANA.....	53	35	27	40	33	35
GUINEA.....	79	48	112	64	65	60
IVORY COAST.....	4,497	3,973	6,090	4,084	4,260	3,667
KENYA.....	1,338	1,531	1,701	1,489	1,548	1,519
LIBERIA.....	121	171	147	165	164	120
MADAGASCAR.....	1,103	1,313	1,150	1,305	1,000	1,250
MALAWI.....	2	5	7	10	16	20
NIGERIA.....	53	40	52	52	45	42
RUANDA.....	427	501	506	502	377	500
SIERRA LEONE.....	130	172	157	179	235	170
TANZANIA.....	878	800	960	1,110	1,000	1,000
TOGO.....	126	182	165	225	284	275
UGANDA.....	2,438	2,042	2,133	2,885	3,200	3,100
ZAIRE (CONGO, D.).....	1,237	1,316	1,526	1,425	1,390	1,400
ZIMBABWE.....	70	68	94	82	117	147
TOTAL AFRICA.....	18,887	18,065	21,322	20,296	20,139	19,696
ASIA:						
INDIA.....	1,757	2,495	1,977	2,540	2,200	2,000
INDONESIA.....	3,602	4,803	5,365	5,785	4,786	4,895
MALAYSIA.....	128	133	139	148	159	163
PHILIPPINES.....	550	811	944	1,067	960	912
THAILAND.....	106	152	201	277	327	388
VIETNAM.....	63	70	70	60	60	68
YEMEN, ARAB REP.....	47	53	57	55	50	58
TOTAL ASIA.....	6,252	8,517	8,753	9,932	8,542	8,388
OCEANIA:						
NEW CALEDONIA.....	9	10	10	10	10	10
PAPUA NEW GUINEA.....	684	840	853	680	890	928
TOTAL OCEANIA.....	693	850	863	690	900	938
WORLD TOTAL.....	73,328	81,908	86,249	98,195	82,345	91,657

1/ Coffee marketing year begins about October in some countries and in 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.

January 1984

Foreign Production Estimates Division, FAS/USDA

TABLE 2

COFFEE, GREEN: EXPORTABLE PRODUCTION IN SPECIFIC COUNTRIES - AVERAGE 1974/75-1978/79, ANNUAL 1979/80-1983/84 1/
(IN THOUSANDS OF 60 KILO BAGS) 2/

REGION AND COUNTRY	AVERAGE 1974/75-1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
NORTH AMERICA:						
COSTA RICA.....	1,265	1,311	1,932	1,539	2,227	1,837
CUBA.....	--	--	--	--	--	--
DOMINICAN REPUBLIC.....	605	724	822	555	800	495
EL SALVADOR.....	2,747	3,122	2,740	2,686	2,471	2,252
GUATEMALA.....	2,105	2,336	2,381	2,329	2,258	2,000
HAITI.....	302	449	240	264	465	335
HONDURAS.....	833	1,023	1,149	1,110	1,636	1,230
JAMAICA.....	10	22	8	11	18	14
MEXICO.....	2,323	2,310	2,362	2,450	2,400	2,450
NICARAGUA.....	789	936	849	855	1,088	805
PANAMA.....	20	39	77	54	85	86
TRINIDAD-TOBAGO.....	36	21	24	23	19	22
UNITED STATES.....	--	--	--	--	--	--
TOTAL NORTH AMERICA.....	11,037	12,293	12,584	11,875	13,467	11,525
SOUTH AMERICA:						
BOLIVIA.....	84	103	111	100	109	107
BRAZIL.....	11,760	14,000	13,500	24,500	9,750	21,500
COLOMBIA.....	8,594	10,962	11,675	12,492	11,445	11,147
ECUADOR 3/.....	1,155	1,398	1,297	1,562	1,595	1,131
GUYANA.....	--	2	3	3	3	1
PARAGUAY.....	79	9	108	207	248	275
PERU.....	727	1,015	929	842	840	942
VENEZUELA.....	228	64	19	23	--	102
TOTAL SOUTH AMERICA.....	22,627	27,553	27,642	30,729	23,990	35,100
AFRICA:						
ANGOLA.....	1,312	220	545	350	387	306
BENIN.....	17	4	35	36	49	54
BURUNDI.....	355	463	312	727	356	497
CAMEROON.....	1,496	1,626	1,926	1,916	1,782	1,665
CENTRAL AFRICAN REPUBLIC..	149	216	260	266	290	195
CONGO, BRAZZAVILLE.....	44	42	34	35	31	24
EQUATORIAL GUINEA.....	15	--	--	--	--	25
ETHIOPIA.....	1,179	1,555	1,664	1,596	1,720	1,707
GABON.....	3	7	7	14	28	24
GHANA.....	41	27	23	36	28	20
GUINEA.....	74	42	106	58	59	54
IVORY COAST.....	4,258	3,908	6,026	4,019	4,192	3,597
KENYA.....	1,300	1,468	1,648	1,434	1,515	1,475
LIBERIA.....	115	165	141	159	158	144
MADAGASCAR.....	962	1,158	984	1,132	823	1,072
MALAWI.....	2	5	7	10	16	21
NIGERIA.....	--	--	--	--	--	--
RWANDA.....	425	499	504	500	375	498
SIERRA LEONE.....	125	167	152	174	230	164
TANZANIA.....	855	786	945	1,094	984	984
TOGO.....	125	181	164	224	283	274
UGANDA.....	2,403	2,001	2,090	2,840	3,154	3,053
ZAIRE (CONGO,K).....	1,077	1,141	1,346	1,240	1,205	1,183
ZIMBABWE.....	62	59	85	72	107	130
TOTAL AFRICA.....	16,394	15,740	19,004	17,934	17,772	17,294
ASIA:						
INDIA.....	974	1,599	1,090	1,631	1,275	1,060
INDONESIA.....	2,580	3,723	4,137	4,630	3,636	3,795
MALAYSIA.....	12	--	--	--	--	--
PHILIPPINES.....	202	406	512	572	450	387
THAILAND.....	13	42	83	151	191	159
VIETNAM.....	31	35	35	25	25	25
YEMEN, ARAB REP.....	37	43	47	45	40	49
TOTAL ASIA.....	3,848	5,848	5,904	7,054	5,617	5,466
OCEANIA:						
NEW CALEDONIA.....	--	--	--	--	--	--
PAPUA NEW GUINEA.....	672	824	837	664	873	903
TOTAL OCEANIA.....	672	824	837	664	873	903
WORLD TOTAL.....	54,579	62,258	65,971	77,256	61,719	70,391

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 materials, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

TABLE 3

WORLD COFFEE SUPPLY AND DISTRIBUTION, 1961-1984

COUNTRY BY TIME PERIOD	(IN 1,000 60-KG BAGS)				EXPORTS	ENDING STOCKS				
	BEGINNING STOCKS	PRODUCTION	IMPORTS	TOTAL SUPPLY DISTRIBUTION			DOMESTIC USE	BEANS RSTD/RND	SOLUBLE TOTAL	
1961/62.....	65,124	75,950	279	141,353	21,072	45,561	56	135	46,152	74,129
1962/63.....	74,129	67,791	256	142,176	14,690	46,792	42	123	46,797	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	41,505	71,557
1965/66.....	71,557	82,157	249	153,963	17,809	49,670	37	257	45,964	46,190
1966/67.....	86,190	63,386	279	149,855	15,252	48,328	26	564	48,318	81,686
1967/68.....	81,686	71,144	273	153,103	14,066	54,723	55	741	55,520	79,516
1968/69.....	79,516	63,288	228	143,032	15,637	52,547	76	563	53,566	69,810
1969/70.....	69,810	69,626	267	139,703	14,868	53,864	83	1,161	55,108	65,707
1970/71.....	65,707	59,426	505	125,638	15,369	50,554	112	1,253	51,819	54,351
1971/72.....	54,351	73,316	524	128,191	17,054	56,650	249	1,585	54,448	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	15,013	58,259	152	2,145	60,640	36,135
1974/75.....	36,133	82,785	564	119,482	19,216	53,308	275	1,985	55,528	44,738
1975/76.....	44,738	73,159	525	118,422	15,194	57,259	371	2,164	59,835	35,394
1976/77.....	39,394	60,907	579	100,880	18,397	54,240	351	2,176	56,767	25,716
1977/78.....	25,716	70,850	593	97,154	18,775	47,759	145	593	48,827	25,547
1978/79.....	29,547	78,941	713	109,201	15,481	61,916	225	2,430	64,571	25,149
1979/80.....	25,149	81,908	727	107,784	15,977	59,008	219	2,526	61,753	26,054
1980/81.....	26,054	86,249	677	112,980	20,581	56,927	155	2,785	59,667	32,532
1981/82.....	32,532	98,195	732	131,459	21,269	60,202	133	3,073	64,358	45,832
1982/83.....	45,832	82,345	705	128,882	20,923	62,449	102	2,521	65,112	42,847
1983/84.....	42,847	91,657	673	135,177	21,560	63,943	106	2,677	66,776	46,841

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

TABLE 4

WORLD: COFFEE SUPPLY & DISTRIBUTION, 1983/84 ^{1/}

(IN THOUSANDS OF 60 KG BAGS)

COUNTRY	BEGINNING STOCKS	PRODUCTION	IMPORTS	TOTAL S/D	TOTAL EXPORTS	DOMESTIC USE	ENDING STOCKS
COSTA RICA	981	2,070	0	3,051	1,700	233	1,118
CUBA	0	360	300	660	260	400	0
DOMINICAN REP.	687	800	0	1,487	600	305	582
EL SALVADOR	1,765	2,453	0	4,218	2,600	200	1,418
GUATEMALA	950	2,340	0	3,290	2,101	340	849
HAITI	28	575	0	603	350	240	13
HONDURAS	785	1,350	0	2,135	1,100	120	915
JAMAICA	7	26	3	36	18	12	6
MEXICO	830	4,200	0	5,030	2,650	1,750	630
NICARAGUA	171	910	0	1,081	860	105	116
PANAMA	24	153	0	177	75	67	35
TRINIDAD-TOBAGO	4	39	1	44	20	19	5
UNITED STATES	107	229	80	416	0	306	110
TOTAL	6,339	15,505	384	22,228	12,334	4,097	5,797
BOLIVIA	19	140	0	159	112	33	14
BRAZIL	5,930	30,000	0	35,930	17,800	8,500	9,630
COLOMBIA	11,712	13,000	0	24,712	9,700	1,860	13,152
ECUADOR	965	1,381	0	2,346	1,652	250	444
GUYANA	0	25	0	25	3	22	0
PAPAGUAY	160	300	0	460	200	22	238
PERU	467	1,200	0	1,667	827	260	580
VENEZUELA	154	1,100	0	1,254	65	1,000	189
TOTAL	19,407	47,146	0	66,553	30,359	11,947	24,247
ANGOLA	1,087	350	0	1,437	550	44	843
BEININ	0	55	0	55	54	1	0
BURUNDI	86	500	0	586	460	3	123
CAMEROON	1,686	1,900	1	3,587	1,600	35	1,954
CENT. AF. REP.	34	120	0	154	137	12	5
CONGO	4	35	0	39	33	1	5
EQUAT. GUINEA	0	35	0	35	25	10	0
ETHIOPIA	1,577	3,350	0	4,927	1,500	1,650	1,777
GABON	0	25	0	25	24	1	0
GHANA	34	35	0	69	34	5	30
GUINEA	19	60	0	79	56	6	15
IVORY COAST	2,900	3,667	0	6,567	4,375	70	2,122
KENYA	834	1,510	0	2,344	1,440	35	869
LIBERIA	36	150	5	191	160	6	25
MADAGASCAR	719	1,250	0	1,969	1,000	180	789
MALAWI	0	20	0	20	20	0	0
NIGERIA	18	42	132	192	35	132	25
RWANDA	40	500	0	540	440	2	98
SIERRA LEONE	5	170	0	175	155	6	14
TANZANIA	494	1,000	0	1,494	950	16	528
TGOC	31	275	0	306	260	1	45
UGANDA	2,869	3,100	0	5,969	2,600	47	3,322
ZAIRE	1,000	1,400	0	2,400	1,125	217	1,058
ZIMBABWE	20	147	0	167	116	8	43
TOTAL	13,495	19,696	138	33,329	17,151	2,488	13,690
INDIA	1,120	2,000	0	3,120	1,300	940	880
INDONESIA	1,605	4,895	0	6,500	4,000	1,100	1,400
MALAYSIA	56	163	145	366	77	250	39
PHILIPPINES	550	912	0	1,462	470	525	467
THAILAND	60	300	2	362	170	141	51
VIETNAM	0	60	0	60	25	35	0
YEMEN	0	50	0	50	40	10	0
TOTAL	3,393	8,380	147	11,920	6,092	3,001	2,837
NEW CALEDONIA	0	10	0	10	0	10	0
PAPUA-N. GUINEA	213	920	4	1,137	850	17	270
TOTAL	213	930	4	1,147	850	27	270
WORLD TOTAL	42,547	91,657	673	135,177	66,776	21,560	46,841

^{1/} Forecast.

TABLE 5
U.S. IMPORTS OF COFFEE BY TYPES AND COFFEE YEARS (OCTOBER/SEPTEMBER) 1981/82 AND 1982/83
(In 60-Kilogram Bags, Green Bean Equivalent)

	1981/82				1982/83			
	Green	Roasted/ Ground	Soluble	Total	Green	Roasted/ Ground	Soluble	Total
COLOMBIAN MILDS								
Colombia.....	1,674,998	5,024	17,026	1,697,048	1,797,797	17,320	56,736	1,871,853
Kenya.....	175,797	1	---	175,798	313,485	11	---	313,496
Tanzania.....	49,729	---	---	49,729	15,443	6	---	15,449
Total.....	1,900,524	5,025	17,026	1,922,575	2,126,725	17,337	56,736	2,200,798
OTHER MILOS								
Burundi.....	288,974	---	---	288,974	93,386	---	---	93,386
Costa Rica.....	268,084	14,855	1,229	284,168	213,676	30,165	---	243,841
Dominican Republic..	486,494	64,983	---	551,477	431,855	305	---	432,160
Ecuador.....	757,422	1,671	106,172	865,265	811,348	396	113,433	925,177
El Salvador.....	928,004	441	13,914	942,359	1,166,085	819	21,434	1,188,338
Guatemala.....	753,672	2,732	765	767,169	809,272	2,341	1,294	812,907
Guyana.....	6,403	---	---	6,403	---	---	---	---
Haiti.....	72,924	---	---	72,924	154,948	---	---	154,948
Honduras.....	265,698	---	1,171	266,869	194,257	---	---	194,257
India.....	324,340	---	---	324,340	195,325	---	---	195,325
Jamaica.....	464	469	---	933	996	669	32	1,697
Malawi.....	250	---	---	250	---	---	---	---
Mexico.....	1,389,955	71,903	391	1,462,249	1,414,860	124,528	10,088	1,549,476
Nicaragua.....	29,799	1,125	25,810	56,734	5,873	7	13,206	19,086
Panama.....	53,042	---	---	53,042	46,356	---	---	46,356
Papua New Guinea....	32,300	---	---	32,300	43,378	---	---	43,378
Peru.....	512,011	---	2,741	514,752	454,754	1,036	3,812	459,602
Rwanda.....	158,389	---	---	158,389	207,307	---	---	207,307
Venezuela.....	18,353	---	---	18,353	11,406	---	---	11,406
Yemen Arab Republic..	---	---	---	---	471	---	---	471
Zimbabwe.....	18,000	---	---	18,000	27,211	---	---	27,211
Total.....	6,364,578	158,179	152,193	6,674,950	6,282,764	160,266	163,299	6,606,329
UNWASHEO ARABICAS								
Bolivia.....	36,032	416	---	36,448	18,193	---	---	18,193
Brazil.....	3,304,519	2,685	925,089	4,232,293	3,593,344	25,161	869,848	4,488,353
Ethiopia.....	578,711	---	---	578,711	552,113	---	---	552,113
Paraguay.....	82,712	---	---	82,712	108,688	---	---	108,688
Total.....	4,001,974	3,101	925,089	4,930,164	4,272,338	25,161	869,848	5,167,347
ROBUSTAS								
Angola.....	16,500	---	---	16,500	73,562	---	---	73,562
Benin.....	11,675	---	---	11,675	---	---	---	---
Cameroon.....	220,910	---	---	220,910	179,015	---	---	179,015
Central Afr. Rep....	---	---	---	---	7,560	---	---	7,560
Guinea.....	10,483	---	---	10,483	23,204	---	---	23,204
Indonesia.....	1,288,745	143	---	1,288,888	1,096,435	5,010	---	1,101,445
Ivory Coast.....	925,963	---	---	925,963	613,043	---	54	613,097
Liberia.....	33,062	---	---	33,062	35,529	---	---	35,529
Madagascar.....	126,305	---	---	126,305	155,350	5	---	155,355
Malaysia.....	23,296	---	---	23,296	30,255	---	---	30,255
Philippines.....	272,072	609	---	272,681	335,132	1,222	---	336,354
Sierra Leone.....	80,276	---	---	80,276	96,687	---	---	96,687
Sri Lanka.....	21,242	---	---	21,242	22,266	---	---	22,266
Thailand.....	86,125	58	20	86,203	103,359	2	14	103,375
Togo.....	78,344	---	---	78,344	141,536	---	---	141,536
Trinidad & Tobago...	13,299	---	---	13,299	10,904	---	---	10,904
Uganda.....	1,122,944	---	---	1,122,944	1,055,016	---	---	1,055,016
Zaire.....	87,518	---	398	87,916	38,224	5	---	38,229
Total.....	4,418,759	810	418	4,419,987	4,017,077	6,244	68	4,023,389
OTHER COUNTRIES ^{1/}.....	366,837	44,954	86,298	498,089	394,582	13,343	66,009	473,934
WORLD TOTAL.....	17,052,672	212,069	1,181,024	18,445,765	17,093,486	222,351	1,155,960	18,471,797

^{1/} Mainly non-producing countries in Western Europe.

SOURCE: USDA

December 1983

TABLE 6
COFFEE YEAR 1983/84
INITIAL ANNUAL AND QUARTERLY QUOTAS OF EXPORTING MEMBERS
(60 kilo bags)

Exporting Member	Initial annual quota	Quarterly quotas			
		Oct.-Dec. 1983	Jan.-March 1984	April-June 1984	July-Sept. 1984
		(1)	(2)	(3)	(4)
TOTAL	36 200 000	14 049 996	14 050 007	14 049 996	14 050 001
A. Sub-total: Members entitled to a basic quota	53 633 086	13 408 270	13 408 276	13 408 270	13 408 270
Colombian Milds	10 466 344	2 616 586	2 616 587	2 616 586	2 616 585
Colombia	8 468 791	2 117 198	2 117 198	2 117 198	2 117 197
Kenya	1 290 086	322 521	322 522	322 521	322 522
Tanzania	707 467	176 867	176 867	176 867	176 866
Other Milds	12 151 777	3 037 944	3 037 946	3 037 944	3 037 943
Costa Rica	1 123 623	280 906	280 906	280 906	280 905
Dominican Republic	494 186	123 546	123 547	123 546	123 547
Ecuador	1 128 825	282 206	282 206	282 206	282 207
El Salvador	2 330 478	582 619	582 620	582 619	582 620
Guatemala	1 805 080	451 270	451 270	451 270	451 270
Honduras	775 092	193 773	193 773	193 773	193 773
India	645 043	161 261	161 261	161 261	161 260
Mexico	1 898 715	474 679	474 679	474 679	474 678
Nicaragua	665 851	166 463	166 463	166 463	166 462
Papua New Guinea	603 427	150 857	150 857	150 857	150 856
Peru	681 457	170 364	170 364	170 364	170 365
Brazilian and Other Arabicas	17 400 557	4 350 139	4 350 140	4 350 139	4 350 139
Brazil	16 037 643	4 009 411	4 009 411	4 009 411	4 009 410
Ethiopia	1 362 914	340 728	340 729	340 728	340 729
Robustas	13 614 408	3 403 601	3 403 603	3 403 601	3 403 603
Angola	450 000	112 500	112 500	112 500	112 500
Indonesia	2 366 892	591 723	591 723	591 723	591 723
OAMCAF ^{1/}	6 915 030	1 728 757	1 728 758	1 728 757	1 728 758
Philippines	470 000	117 500	117 500	117 500	117 500
Uganda	2 309 670	577 417	577 418	577 417	577 418
Zaire	1 102 816	275 704	275 704	275 704	275 704
B. Sub-total: Members exempt from basic quotas (other than OAMCAF)	2 566 914	641 726	641 731	641 726	641 731
Sub-total: Members exporting 100 000 bags or less (without OAMCAF)	477 272	119 317	119 319	119 317	119 319
Ghana	50 512	12 628	12 628	12 628	12 628
Jamaica	17 467	4 366	4 367	4 367	4 366
Malawi	23 368	5 842	5 842	5 842	5 842
Nigeria	73 408	18 352	18 352	18 352	18 352
Panama	65 855	16 464	16 464	16 464	16 463
Sri Lanka	54 053	13 513	13 513	13 513	13 514
Trinidad and Tobago	34 226	8 556	8 557	8 556	8 557
Venezuela	80 254	20 063	20 064	20 063	20 064
Zimbabwe	78 129	19 532	19 532	19 532	19 533
Sub-total: Members exporting more than 100 000 bags (without OAMCAF)	2 089 642	522 409	522 412	522 409	522 412
Bolivia	109 759	27 440	27 440	27 440	27 439
Burundi	450 000	112 500	112 500	112 500	112 500
Guinea	100 317	25 079	25 079	25 079	25 080
Maliti	401 032	100 258	100 258	100 258	100 258
Liberia	130 294	32 573	32 574	32 573	32 574
Paraguay	108 814	27 203	27 204	27 203	27 204
Rwanda	450 000	112 500	112 500	112 500	112 500
Sierra Leone	234 624	58 656	58 656	58 656	58 656
Thailand	104 802	26 200	26 201	26 200	26 201

^{1/} Includes Benin, Cameroon, Congo, Central African Republic, Gabon, Ivory Coast, Madagascar and Togo

Note: The quota shown for each quarter represents 25 percent of the corresponding annual quota of each Member shown in column (1). Members exporting 100 000 bags or less, including Members of OAMCAF, are not subject to quarterly quotas (see paragraph 11). Quarterly quotas in this table in respect of those Members are shown for illustrative purposes.

TABLE 7
COFFEE YEAR 1983/84

SHARE OF INITIAL ANNUAL QUOTA OF EXPORTING MEMBERS ENTITLED TO A BASIC QUOTA

Exporting Member	Share of annual quota given in Annex 3 of the Agreement (percent)	Initial annual quota (60 kilo bags)	Share of annual quota of all Members entitled to a basic quota subject to quota/price adjustments (percent)	Amount of each upward and downward quota adjustment 1/ (60 kilo bags)
	(1)	(2)	(3)	(4)
<u>TOTAL</u> (with Angola and Philippines)		<u>32 939 600</u>	<u>100.00</u> 2/	<u>1 000 000</u> 1/
<u>TOTAL</u> (without Angola and Philippines)	<u>100.00</u>	<u>32 019 600</u>	-	-
<u>Columbian Milda</u>	<u>20.12</u>	<u>10 466 344</u>	<u>19.94</u>	<u>199 398</u>
Colombia	16.28	8 468 791	16.13	161 342
Kenya	2.48	1 290 086	2.46	24 378
Tanzania	1.36	707 467	1.35	13 678
<u>Other Milda</u>	<u>23.36</u>	<u>12 151 777</u>	<u>23.16</u>	<u>231 509</u>
Costa Rica	2.16	1 123 623	2.14	21 607
Dominican Republic	0.95	494 186	0.94	9 615
Ecuador	2.17	1 128 825	2.15	21 506
El Salvador	4.48	2 330 478	4.44	44 399
Guatemala	3.47	1 805 080	3.44	34 389
Honduras	1.49	775 092	1.48	14 767
India	1.24	645 043	1.23	12 289
Mexico	3.65	1 898 715	3.62	36 173
Nicaragua	1.28	665 851	1.27	12 685
Papua New Guinea	1.16	603 427	1.15	11 496
Peru	1.31	681 457	1.30	12 983
<u>Brazilian and Other Arabicas</u>	<u>33.45</u>	<u>17 400 557</u>	<u>33.15</u>	<u>331 505</u>
Brazil	30.83	16 037 643	30.55	305 540
Ethiopia	2.62	1 362 914	2.60	25 963
<u>Robustas</u>	<u>23.07</u>	<u>12 920 922</u>	<u>23.75</u>	<u>237 588</u>
Indonesia	4.55	2 366 892	4.51	45 093
<u>OAMCAF</u> 2/	<u>11.96</u>	<u>6 221 544</u>	<u>11.85</u>	<u>118 529</u>
Cameroon				
Ivory Coast				
Madagascar				
Uganda	4.44	2 309 670	4.40	44 002
Zaire	2.12	1 102 816	2.10	21 010
Philippines		470 000	0.89	8 954
Angola		450 000	1/	1/

1/ Excludes Angola which is not subject to upward and downward adjustments.

2/ Excludes Members of African and Malagasy Coffee Organization (OAMCAF) exempt from basic quotas; the annual quota of all Members of OAMCAF.

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

Date	Daily												15-Day Moving Average					
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Day	July	Aug.	Sept.	Oct.	Nov.	Dec.	July	Aug.	Sept.	Oct.	Nov.
1.....	124.12	122.93	126.15	---	134.95	139.10	1	123.79	124.22	125.98	---	136.10	137.69					
2.....	---	123.05	126.03	131.74	135.52	138.88	2	---	124.15	126.11	---	136.06	137.86					
3.....	---	123.30	---	132.64	135.88	---	3	---	124.03	---	127.98	136.04	---					
4.....	---	123.18	---	133.49	135.54	---	4	---	123.98	---	128.41	136.00	---					
5.....	124.04	123.07	---	134.93	---	138.73	5	123.80	123.94	---	128.93	---	138.00					
6.....	123.33	---	126.30	134.66	---	139.06	6	123.76	---	126.25	129.50	---	138.14					
7.....	123.76	---	125.63	---	135.49	139.36	7	123.72	---	126.30	130.01	135.91	138.30					
8.....	123.82	123.25	125.46	---	136.29	139.21	8	123.68	123.90	126.30	---	135.88	138.45					
9.....	---	123.24	125.74	---	136.03	139.70	9	---	123.84	126.30	---	135.85	138.62					
10.....	---	123.93	---	135.83	136.32	---	10	---	123.79	---	130.57	135.84	---					
11.....	124.49	123.96	---	136.04	136.61	---	11	123.68	123.69	---	131.12	135.84	---					
12.....	124.52	124.06	126.09	136.15	---	140.91	12	123.73	123.63	126.31	131.68	---	138.86					
13.....	124.79	---	126.23	136.20	---	141.76	13	123.84	---	126.29	132.25	---	139.10					
14.....	123.88	---	125.65	136.02	---	142.23	14	123.87	---	126.20	132.77	135.83	139.37					
15.....	123.67	124.22	126.40	---	137.03	141.97	15	123.87	123.61	126.14	---	135.82	139.60					
16.....	---	124.88	127.03	---	137.00	142.27	16	---	123.63	126.14	---	135.83	139.85					
17.....	---	125.48	---	136.93	137.03	---	17	---	123.72	---	133.38	135.99	---					
18.....	123.79	125.73	---	136.68	137.45	---	18	123.86	123.85	---	133.98	136.21	---					
19.....	124.16	126.00	127.39	136.49	---	141.52	19	123.89	124.02	126.19	134.48	---	140.04					
20.....	124.77	---	127.80	136.47	---	140.02	20	124.00	---	126.29	134.94	---	140.17					
21.....	125.36	---	127.70	136.66	138.04	138.44	21	124.12	---	126.38	135.40	136.41	140.21					
22.....	125.05	126.55	127.76	---	138.29	138.91	22	124.24	124.26	126.49	---	136.63	140.20					
23.....	---	126.96	128.13	---	138.46	139.27	23	---	124.52	126.62	---	136.82	140.22					
24.....	---	127.29	---	136.95	---	---	24	---	124.79	---	135.74	---	---					
25.....	124.54	127.01	---	137.18	138.59	---	25	124.26	125.04	---	136.05	137.00	---					
26.....	124.50	126.64	127.82	136.85	---	---	26	124.30	125.28	126.74	136.27	---	---					
27.....	124.12	---	127.60	134.72	---	139.41	27	124.35	---	126.83	136.26	---	140.27					
28.....	123.77	---	129.10	134.20	138.56	138.45	28	124.35	---	127.06	136.22	137.21	140.23					
29.....	123.50	126.32	129.46	---	138.14	137.53	29	124.33	125.48	127.33	---	137.58	140.11					
30.....	---	126.28	129.90	---	137.80	137.34	30	---	125.69	127.60	---	137.80	139.98					
31.....	---	126.17	---	135.04	---	---	31	---	125.84	---	136.17	---	---					
Ave.	124.20	124.93	127.11	135.52	136.95	139.72	Ave.	123.97	124.30	126.47	132.96	136.31	139.30					

Note: Dashes denote weekends and holidays.

January 1984

Horticultural and Tropical Products Division, FAS/USDA

Chart 1

INTERNATIONAL COFFEE AGREEMENT PRICE STABILIZATION MECHANISM
 15 DAY MOVING AVERAGE INDICATOR PRICE
 COFFEE YEAR 1983/84
 (U.S. DOLLARS PER POUND)

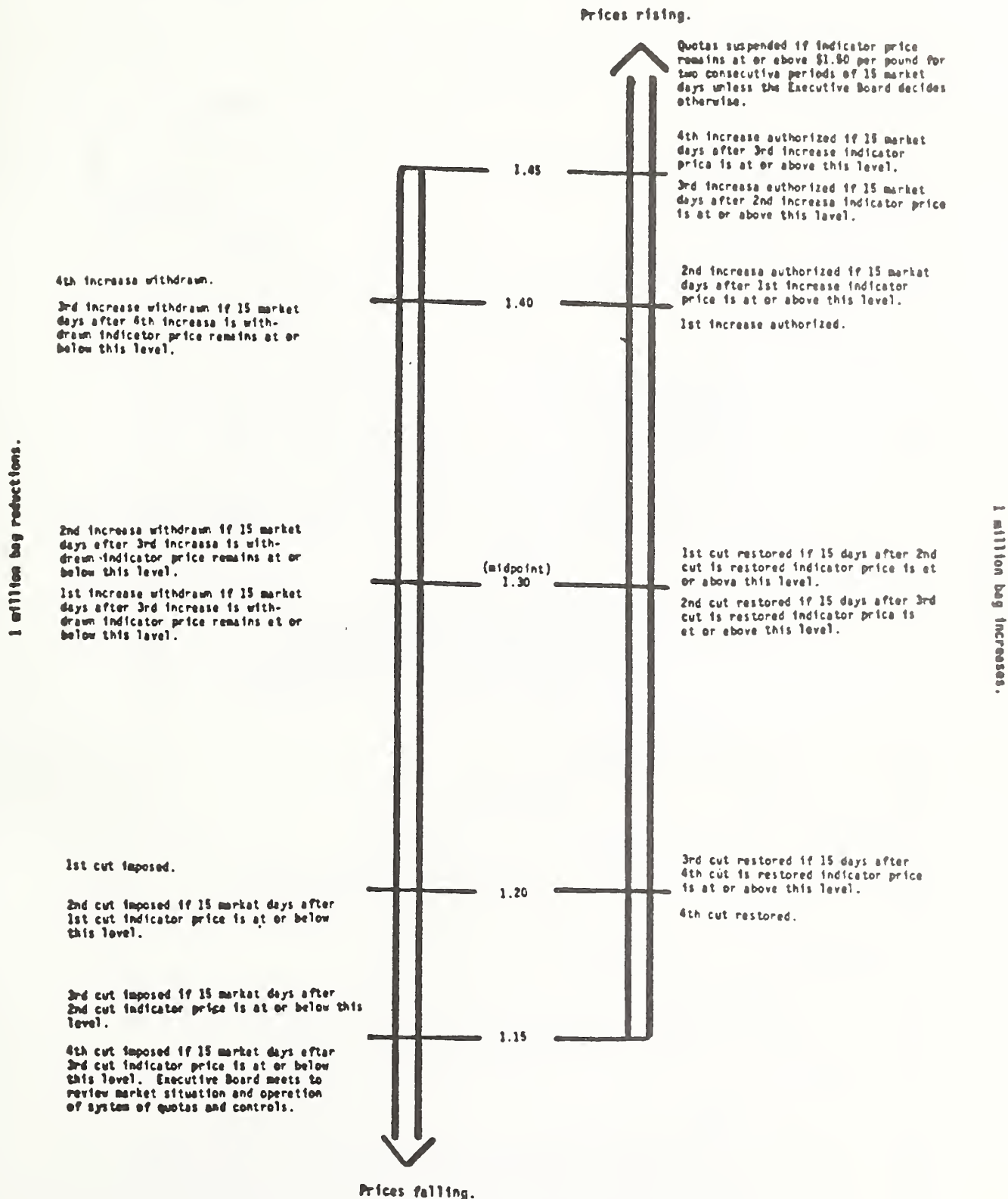


FIGURE 1

WORLD COFFEE SUPPLY
CROP YEARS 1963/64 THRU 1983/84

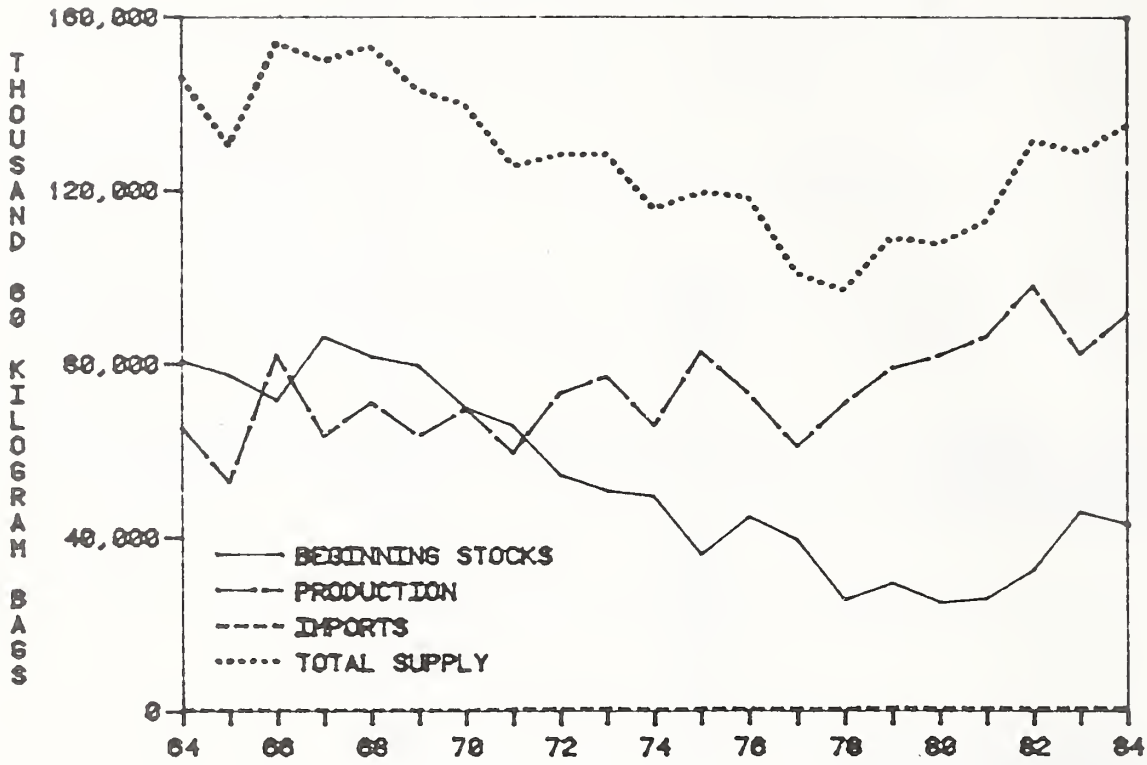


FIGURE 2

WORLD COFFEE DISTRIBUTION
CROP YEARS 1963/64 THRU 1983/84

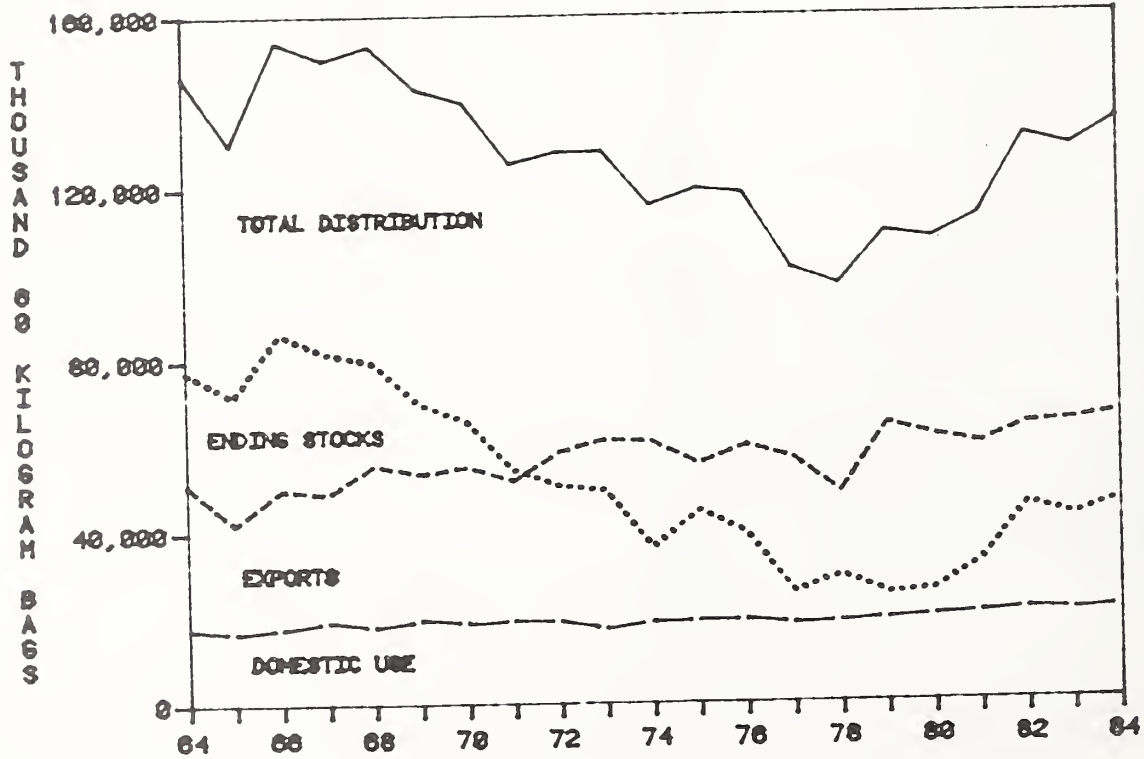


FIGURE 3

COFFEE: EXPORTS BY REGION
PERCENT BY CROP YEARS

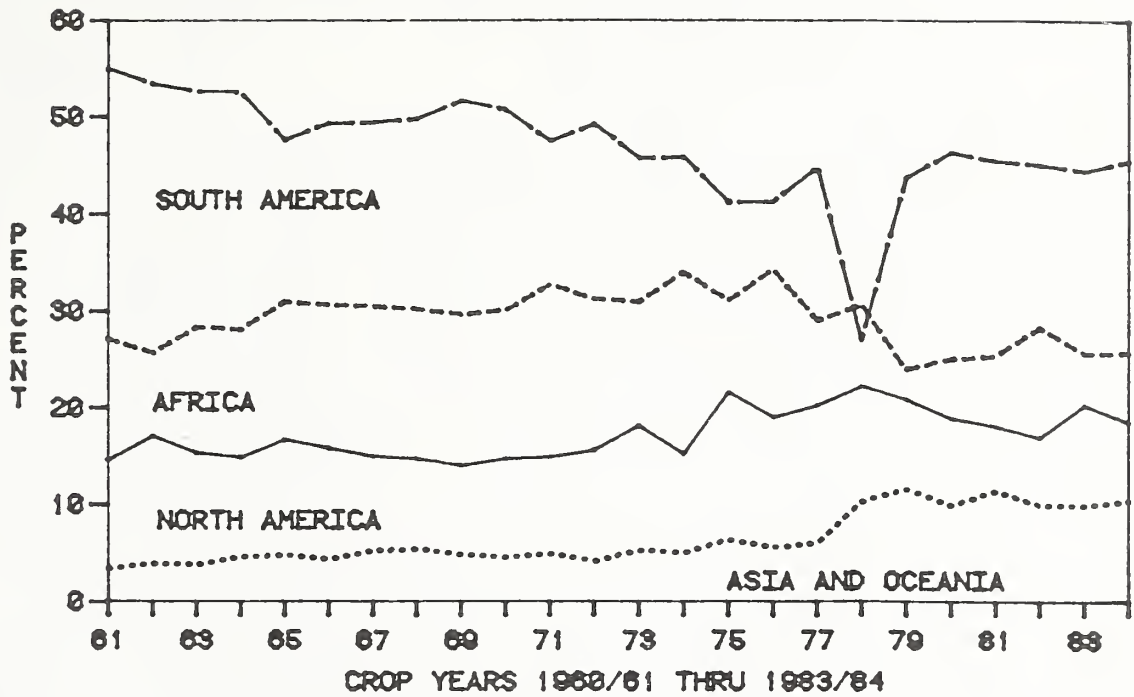
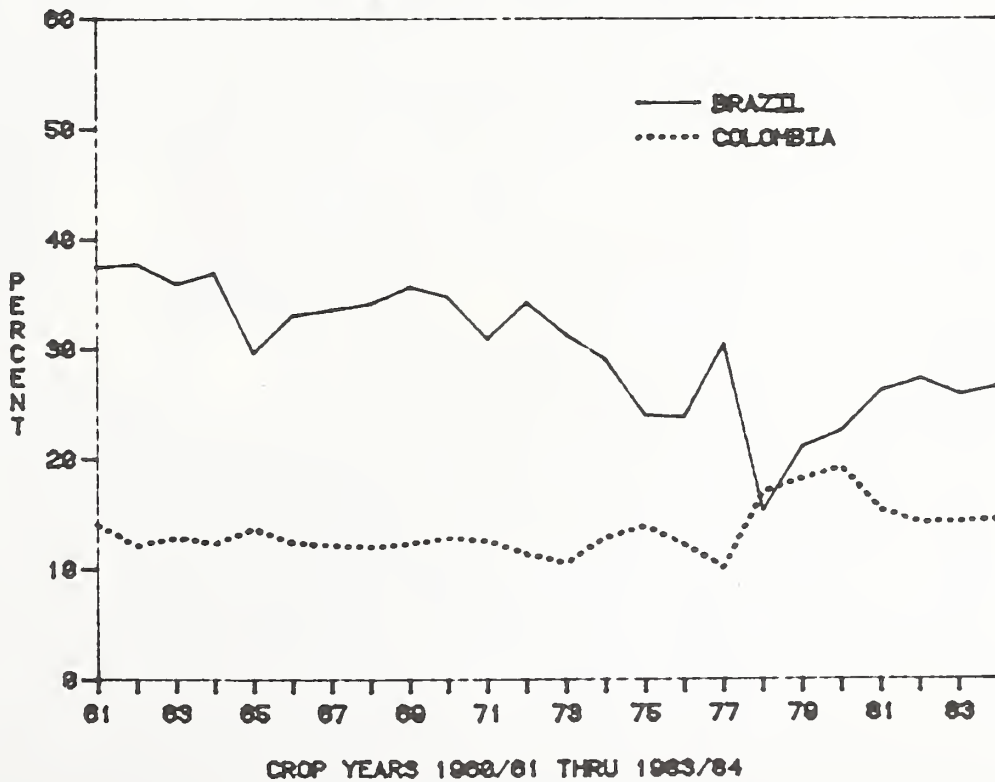


FIGURE 4

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COFFEE: EXPORTS BY BRAZIL AND COLOMBIA AS A PERCENT OF EXPORTS
BY ALL BASIC QUOTA HOLDERS



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