

NEW YORK COFFEE AND SUGAR VOLUME OF SALES FUTURES

Volume of Sales (Bags)

Period	"A" No. 7	"D" Santos No. 4	"H" Colom- bian	Total
Apr. 1934.....	99,250	265,500	.....	364,750
Apr. 1933.....	116,250	309,250	12,750	438,250
Apr. 1932.....	125,000	225,250	.....	350,250
Apr. 1931.....	752,000	1,026,000	.....	1,781,250
Apr. 1930.....	472,000	663,000	.....	1,146,500
Apr. 1934.....	746,500	1,944,250	7,750	2,698,500
4 mos. 1934.....	242,500	923,000	20,000	1,185,500
4 mos. 1933.....	595,250	886,250	.....	1,482,500
4 mos. 1932.....	1,701,500	2,865,750	.....	4,567,250
4 mos. 1931.....	1,889,500	2,684,000	.....	4,585,250
Year 1933.....	1,501,000	3,560,750	62,500	5,124,750
Year 1932.....	1,238,000	2,983,250	9,250	4,231,500*
Year 1931.....	3,933,250	6,295,500	.....	10,228,000*
Year 1930.....	5,225,500	7,736,250	.....	12,989,750*

* Includes sales "F". (1932—1,000) (1931—21,250)
(1930—22,250).

period, a gain of 128 per cent. The volume during April was small when compared with the first three months totaling only 364,750 bags against 659,500 bags in March and 438,250 bags during April last year. The dullness in the actual market as a result of the heavy purchases by the trade earlier in the year, had its influence on trading in futures.

WORLD CONSUMPTION OF COFFEE

World consumption of coffee continues at a record rate exceeding any similar 10 months' period in the history of coffee. Deliveries for the ten months of the crop year, July 1, 1933, to April 30, 1934, amounted to 20,932,000 bags against 18,877,000 in the 1932-33 period, a gain of 10.9 per cent.

U. S. consumption amounted to 10,630,000 against 9,466,000, a gain of 12.3 per cent. Europe accounted for 9,258,000 bags against 8,571,000, an increase of 8 per cent while the rest of the world took 1,045,000 bags against 840,000, a gain of 24.4 per cent.

During the month of April this year 1,043,000 bags disappeared into consumptive channels in the U. S., 894,000 bags in Europe, while 70,000 bags were delivered to other parts of the world. Last year the disappearance was 1,035,000; 943,000 and 72,000 respectively.

THE MARKET OUTLOOK

Coffee stocks in Brazil on July 1, 1934, the end of the current crop season, will amount to 15,192,000 bags, Nortz & Co. estimate. This figure is arrived at by deducting from the March 1 stocks 5,000,000 bags which are expected to be shipped in from March through June and 5,500,000 bags which it is expected will be destroyed up to July 1.

Following through with the calculations Nortz & Co. estimate that on July 1, 1935, not making allowance for coffee destruction during the 1935 season, there will be 17,192,000 bags on hand. This estimate is reached by taking the calculated stocks of July 1, 1934, 15,192,000 bags, and adding the estimated 1934-35 output of 15,500,000 bags and

another 2,000,000 bags of old crops that might still be on plantations. This gives a total of 32,692,000 bags, from which 15,500,000 bags are deducted for shipments during the year. This leaves 17,192,000 bags.

In an analysis of world production and consumption since 1900, the Nortz firm points out wherein Brazil's real problem for the future rests. The following table gives the production and consumption figures for that period of Brazil and other producing countries:

Season Average	Total Brazil	(000 omitted)	
		Other than Brazil	W'ld Pr'd't'n W'ld Cons.
1900-06.....	12,161	4,071	16,232 15,808
1906-12.....	13,891	3,879	17,770 18,397
1912-18.....	14,096	4,265	18,361 18,337
1918-24.....	12,387	6,244	18,622 18,967
1924-30.....	17,512	7,636	25,148 22,138
1930-34.....	21,492	8,727	30,219 23,931

NON-BRAZIL COFFEE PRODUCTION

The figures show that production of coffee outside of Brazil has increased 100 per cent during the past twenty years. Consumption of these coffees has increased to the same extent, and no surplus exists; a fact which is mainly due to the better quality and more careful preparation of milds. Brazilian production has increased by about 75 per cent, but consumption has only increased 25 per cent. The number of coffee trees in Sao Paulo has gone up since 1905 from 500,000,000 to 600,000,000 to about 1,500,000,000, and the rest of Brazil is keeping pace with this development. It does not appear that the recent depression has made any great inroads on Brazilian coffee plantations—they now appear to be in a quasi normal condition. To cope with this disastrous condition, Brazil will have destroyed 32,000,000 bags of coffee by the first of July—an almost colossal undertaking, which has commanded the respect of the world. It is true that the cost of this operation—that is, the special export taxes imposed for this purpose—have been paid by consumers.

The above figures also show that during the coming season Brazil can easily spare another 10,000,000 bags of coffee, which ought to be eliminated. What will happen then will depend entirely upon crop prospects for subsequent seasons, on weather conditions and on the world's economic outlook.

One great obstacle to increased consumption is

COFFEE DESTRUCTION IN BRAZIL

Figures compiled by the New York Coffee and Sugar Exchange

Points	(In bags of 132 lbs.)			
	June, 1931	July 1, 1932	June 30, 1933	Total to Apr. 15, 1934
São Paulo	3,254,000	6,258,000	5,852,000	15,364,000
Santos	3,767,000	2,445,000	1,919,000	8,131,000
Rio	1,040,000	929,000	148,000	2,117,000
Victoria	315,000	317,000	123,000	755,000
Paranagua .....	.....	.....	194,000	194,000
Total	8,376,000	9,949,000	8,236,000	*26,561,000

*Not including 479,000 destroyed prior to June, 1931, by São Paulo Coffee Institute. Also 249,000 April 15-30, 1934.