

NEW YORK COFFEE AND SUGAR EXCHANGE FUTURES

Volume of Sales (Bags)

Period	"A" No. 7	"D" Santos No. 4	"H" Colom- bian	Total
Oct. 1935.....	96,250	260,750	.....	357,000
Oct. 1934.....	125,500	259,250	.....	384,750
Oct. 1933.....	100,500	175,000	2,250	277,750
Oct. 1932.....	58,000	276,000	.....	334,000
Oct. 1931.....	121,000	230,750	.....	351,750
Oct. 1930.....	559,000	907,250	.....	1,470,500
10 mos. 1935.....	1,514,000	3,866,250	.....	5,380,250
10 mos. 1934.....	1,558,250	3,944,250	10,500	5,513,000
10 mos. 1933.....	1,283,000	2,839,250	58,000	4,180,750
10 mos. 1932.....	1,123,750	2,475,000	.....	3,599,750
10 mos. 1931.....	3,507,000	5,590,500	.....	9,118,750
10 mos. 1930.....	4,687,500	6,697,269	.....	11,411,250
Year 1935.....	1,796,500	4,462,500	10,500	6,269,500
Year 1934.....	1,601,000	3,460,750	62,500	5,124,750
Year 1933.....	1,238,000	2,983,250	9,250	4,231,500*
Year 1932.....	3,933,250	6,295,500	.....	10,252,000*
Year 1930.....	5,225,500	7,736,250	.....	12,989,750*

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

in the expectation of some new factor turning up. In the spot market, after the activity of the past two months, transactions have again become very limited. Importers are digesting their former purchases and there does not seem to be any hurry to replenish their stocks, as mild crops are now coming in and are weighing on the market, as a result of the upset conditions of Europe.

It would appear that Brazil will now gradually reap the fruits of ten years protective control of the coffee market. If her chief aim had been to make use of her preponderant position as the principal producer to impose unduly high prices, and to achieve this she had tried to suppress speculation and dole out her coffee in accordance with strict requirements, she has certainly succeeded in this latter respect, probably beyond her expectation. One of the results is that the smaller dealer is now becoming extinct. Formerly there were many of these and they were the backbone of the article as by carrying stocks they became the natural ally of the producer, constantly striving for better prices. Brazil, as well as other countries, now finds herself confronted by a limited number of powerful buyers—at least in this country, who are themselves dependent on cheap distribution instead of rising markets, as was the case formerly, and are in a position to dictate prices to producers as well as the world output continues to exceed re-

quirements. We may mention that one of our principal roasters has lately been selling roasted coffee at 2 lbs. for 29c. In another direction we see the British sugar market taking its orders from one large refiner who enjoys a practical monopoly of the business.

We know that Brazil regrets many things which have happened in the past, but regrets alone will achieve nothing. She has maneuvered herself into a position where she has to continue to stake her financial structure on the maintenance of an over-extended planted area, and the buying up of inevitable crop surpluses, or restore a free market, necessarily bringing about a normal relationship between requirements and output—a costly undertaking, as things have developed. She no longer stands alone in this regard. Only a few days ago we were told by the Dean of Economics of the Columbia University that 15 different commodities on which they used to base their demonstrations—13 were found to be under control, and the other two practically under a monopoly. Cables from Brazil report that the Government there is handing out money to farmers to help them produce more cotton, and our Government is paying the farmer to produce less cotton—which we may call an arbitrage. Here in the U. S. \$15 is paid for each hog not raised, and \$35.00 for every acre of land not cultivated. How much of this money has been used for the payment of debts, and how much for the purchase of new automobiles, we do not know. At a recent referendum, farmers voted 6 to 1 for the continuance of this scheme, and the result is heralded as a great success. It is evident that only time will show the result of these experiments in planned economy. The social and financial structures of many countries, and maybe of the whole civilized world, may ultimately be implicated.

THE COFFEE MARKET

There are two distinct currents of thought in evidence now, in regard to the coffee situation. The bearish one is based on the belief that as time goes on, Brazil will not be able to continue to swim against the current, by destroying crops in excess of requirements, and placing the expense on consuming countries in the form of a 45 milreis processing tax, while production in other countries goes on unhampered, and consumption, at least in Europe, appears to be severely handicapped by all sorts of restrictions and by Exchange difficulties. Nobody, neither here nor in Brazil, seems to have the slightest idea as to what the Govern-

BRAZIL PORTS' COFFEE STOCKS

September 30, 1935

Ports	In bags of 60 kilos	Bags
Santos.....	3,121,158
Rio de Janeiro.....	671,662
Victoria.....	262,034
Bahia.....	39,669
Angra dos Reis.....	12,305
Paranaquá.....	91,721
Recife.....	17,775
Total.....	3,216,324

Compiled by the Departamento Nacional do Café, Rio de Janeiro.

BRAZIL COFFEE EXPORTS

September, 1935

Ports	In bags of 60 kilos		
	Foreign	Coastwise	Total
Santos.....	893,381	394	893,775
Rio de Janeiro.....	258,384	7,836	266,220
Victoria.....	183,014	20,435	203,449
Bahia.....	14,406	5,492	19,898
Paranaquá.....	22,548	34	22,582
Recife.....	2,473	143	2,616
Angra dos Reis.....	12,021	.....	12,021
Total.....	1,386,227	34,334	1,420,561

Compiled by the Departamento Nacional do Café, Rio de Janeiro.