

NEW YORK COFFEE AND SUGAR EXCHANGE FUTURES

Volume of Sales (Bags)

| Period | "A" No. 7 | "D" Santos No. 4 | "H" Colom- bian | Total |
|-----------------|--------------|------------------------|-----------------------|-------------|
| Aug., 1934..... | 182,750 | 410,000 | 1,000 | 593,750 |
| Aug., 1933..... | 138,750 | 183,000 | 10,500 | 332,250 |
| Aug., 1932..... | 67,500 | 201,000 | | 268,500 |
| Aug., 1931..... | 364,750 | 588,250 | | 960,000 |
| Aug., 1930..... | 548,000 | 695,000 | | 1,244,000 |
| 8 mos. 1934.... | 1,326,750 | 3,394,500 | 10,250 | 4,731,500 |
| 8 mos. 1933.... | 1,129,500 | 2,499,500 | 50,250 | 3,679,250 |
| 8 mos. 1932.... | 902,000 | 1,563,000 | | 2,466,000 |
| 8 mos. 1931.... | 3,237,500 | 5,051,000 | | 8,309,000 |
| 8 mos. 1930.... | 3,676,750 | 5,070,000 | | 8,767,250 |
| 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 | | 10,252,000* |
| Year 1930..... | 5,225,500 | 7,736,250 | | 12,989,750* |

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

| | | | | |
|-----------------|---------|---------|-------|---------|
| June, 1934..... | 218,250 | 575,750 | | 794,000 |
|-----------------|---------|---------|-------|---------|

deal, released since, the last of this coffee having been sold during May of this year. Considering that last season's average monthly consumption was one million bags, the present stocks of 1,346,000 bags will not offer roasters much of a selection, if they are obliged to look to the spot market for desirable qualities. Small stocks are reported left in Central America, therefore no large shipments can be expected before the end of the year, when arrivals of the new crop begin.

"As to the invisible supply of this country, opinions differ widely. There are those who assert that, judging from the demand for the past few weeks, interior stocks have been depleted but not replenished, while others are of the opinion that the heavy purchases at the beginning of the year have not been entirely used up.

"After an extended period of large stocks and over production, much attention is now given to the improved statistical position. Figures show clearly the situation had not Brazil taken drastic measures to regulate the oversupply. Had Brazil not destroyed 30,000,000 bags of coffee since July, 1931, we would now be faced with a visible supply of nearly 60,000,000 bags in excess of this season's requirements. Visible supply on July 1, 1934, amounted almost to the same figure as on the same date in 1931, when a world's coffee crop of 34,000,000 bags was expected, while we are now confronted with a crop amounting approximately to the quantity needed for world's consumption requirements during the season.

COFFEE CONDITIONS IN BRAZIL

"While frost has been reported in some sections, a general freeze has not occurred, and the short remaining season does not offer threatening weather. The danger now seems to be in a continuance of the dry weather. After a comparatively dry summer, the winter months have produced insufficient rain. It is interesting to note that the rainfall in Brazil has steadily declined during the last few years. While at the beginning of the century, the rainfall often exceeded 2,000 m/m, it mounted to only 1,258 m/m in 1929, and has since then decreased rapidly. Only 605 m/m of rain fell in 1933.

"Our senior, Mr. Eug. Nortz, now traveling through Brazil, reports that the drought of the last five months has not passed without taking its toll, especially in the older districts, where the aspect of trees is deplorable, while in the newer sections the younger trees are in better condition. It is naturally too early to estimate the effect of the drought on the next crop, as very much will depend on the flowering during the next few months. So far, reports have been disturbing, as we learn that up to now the August flowering is practically nil. As regards the present crop, general opinion is that in São Paulo, only seven to eight million bags will be harvested, and that the total Brazilian crop will be between thirteen and fourteen million bags. Were it not for the fact that present consumption prospects are not so bright, this would place Brazil in a very favorable position. Last year's shipments amounted to 16,317,000 bags, of which 7,112,000 bags went to Europe. It is doubted if these figures will be reached this season. During May and June, shipments were exceptionally heavy, due to the fact that European coffee interests were taking advantage of the bonus which was discontinued on July 1st. There was also large buying of coffee by Germany prior to July 1st, when import restrictions were severely tightened. We hear from Germany that during the first five months of this year, duty was paid on 13% more coffee than in the same period last year. However, since the end of June, duty payments for coffee imported thereafter have practically ceased. Germany is said to be negotiating with several countries regarding reciprocal trade agreements, and with present trade balance between Brazil and Germany favorable to Germany, it is possible that Brazil will be favored at the expense of Central American countries, which do not import large quantities of German goods.

"Although exporters in Brazil are complaining of unsatisfactory business, as already shown in the small July shipments, prices in the interior of Brazil are very firm. This is perhaps partly explained by the fact that this year's cotton crop has been exceptionally large in that country, and farmers are in a better position to hold back and to await further developments. Destruction of coffee in Brazil has been resumed on a large scale. During the first half of August, 582,000 bags were destroyed, against total destruction in July of 794,000 bags. So far this year, 4,675,000 bags have been destroyed, compared to 6,170,000 bags during the same period last year. The grand total of destruction figures now amount to 30,517,000 bags.

"On the occasion of a dinner given by the Bra-

COFFEE DESTRUCTION IN BRAZIL

Figures compiled by the New York Coffee and Sugar Exchange

(In bags of 132 lbs.)

| Points | June, 1931 Dec. 31, 1933 | Jan. 1, 1934 June 30, 1934 | July 1, 1934 Aug. 31, 1934 | Total to Aug. 31, 1934 |
|----------------|-----------------------------|-------------------------------|-------------------------------|---------------------------------|
| São Paulo ... | | | | |
| Santos | Details | Details | Details | Details |
| Rio | Lacking | Lacking | Lacking | Lacking |
| Victoria | | | | |
| Paranaqua ... | | | | |
| Total | 25,842,000 | 3,298,000 | 1,942,000 | 31,082,000 |

* Not including 479,000 destroyed prior to June, 1931, by São Paulo Coffee Institute.