

Coffee Updates

Summary

World coffee production in 2005/06 is forecast at 113.2 million bags (60 kilograms or 132.276 pounds), unchanged from the first forecast made in June, but down 7 percent from the 2004/05 season. There have been offsetting adjustments to the 2005/06 coffee crops. Brazil's coffee production in 2005/06 is now estimated at 36.1 million bags, down 400,000 bags from the June 2004 forecast and down 7.5 million bags from 2004/05. Vietnam's coffee crop was increased 166,000 bags from the June forecast. Vietnam's coffee production in 2005/06 is now estimated at 12.3 million bags. There have been some decreases in the coffee crops in those countries damaged by heavy rains as the result of Hurricane Stan and other weather problems. The full extent of the damage is not known at this time. In addition to damaged coffee crops, there has been damage to the coffee infrastructure. Mexico's coffee production for 2005/06 has been lowered by 100,000 tons, to 4.2 million bags because of hurricane-related damage, especially in the state of Chiapas.

Total coffee supply in producing countries in 2005/06 is forecast at 139.2 million bags, down 4 percent from the revised 2004/05 level. All of the decrease is the result of lower production, as beginning stocks for 2005/06 are estimated to have increased 2.8 million bags from the previous year.

World coffee exports in 2005/06 are forecast to decrease by 4 percent or 4.1 million bags from last year's revised level. Brazil's total exports of coffee in 2005/06 are forecast at 22.0 million bags, a decrease of about 5.9 million bags from the 2004/05 level. Vietnam's exports of coffee in 2005/06 are estimated at 11.8 million bags, down 2.1 million bags from 2004/05. World coffee stocks at the end of 2005/06 are forecast at 20.3 million bags, down 14 percent from the preliminary 2004/05 level.

World coffee consumption in 2004/05 is estimated at 119.9 million bags, up 2 percent from the preliminary 2003/04 level—about 90 million bags in importing countries and 30 million bags in exporting countries. Although USDA does not maintain an official database for importing and consuming countries, world consumption is calculated using the information that is available. World consumption can be estimated based on net exports from producing countries, the change in major importers' stock levels, plus consumption in producer countries. Exports from producing countries are assumed to be consumed in the importing countries, after adjusting for changes in the stock levels in the importing countries.

United States

U.S. coffee stocks at the end of October 2005 totaled 5.2 million bags, down 495,443 bags from the September 30, 2005, level.

U.S. Coffee Stocks

Location	September 30	October 31	Difference
	-----60-kilogram bags-----		
New York	2,021,329	1,950,930	(70,399)
New Orleans	1,688,026	1,426,326	(261,700)
Jacksonville	123,000	114,000	(9,000)
Miami	786,597	729,258	(57,339)
Houston	506,278	437,929	(68,349)
Laredo	79,318	67,579	(11,739)
Port Everglades	0	0	0
San Francisco	404,139	385,735	(18,404)
Los Angeles	0	0	0
Seattle	0	0	0
Norfolk	51,517	52,339	822
Philadelphia	2,749	3,414	665
Baltimore	0	0	0
Total	5,662,953	5,167,510	(495,443)

Source: Green Coffee Association, Inc.

Brazil

Brazil's government auctions are as follows:

Brazil: Auctions of Government-Owned Coffee Stocks

Date of Auction	Quantity Offered	Quantity Sold	Price Range
	60-kilogram bags		Brazil reais/bag
2005			
June 22	30,000	29,965	166.10-181.90
July 13	20,000	20,000	167.50
July 27	20,000	20,000	167.60-169.30
August 10	20,000	20,000	170.80-177.65
August 24	25,000	25,000	171.70-174.00
September 14	30,000	29,567	164.50-194.50
September 28	30,000	29,373	151.00-168.20
October 11	40,000	40,000	144.00-150.20
October 26	40,000	36,710	142.10-156.00
November 9	40,000	39,820	152.20-166.00
November 23	40,000	39,890	154.00-167.70