International Coffee Organization
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LETTER FROM THE EXECUTIVE DIRECTOR

COFFEE MARKET REPORT

September 2005

First and foremost, I would like to express my concern and deepest sympathy for the coffee producers of Costa Rica, El Salvador, Guatemala, Honduras, Mexico and Nicaragua who were victims of Hurricane Stan. This natural disaster caused considerable loss of life and serious damage to economic infrastructures, including communication routes and coffee warehouses in the region.

A significant event in September was the holding of the 2nd World Coffee Conference in the city of Salvador, Brazil. At this important Conference, the world coffee community exchanged views regarding the lessons to be learned from the crisis that overshadowed the coffee industry in exporting countries over the last five years, coffee policies in a market economy and the development of a sustainable coffee economy. The 2nd World Coffee Conference was opened by Presidents Luiz Inácio Lula da Silva of Brazil and Álvaro Uribe Vélez of Colombia and a number of Ministers from Member countries were present. The major concern expressed by these political leaders was how to establish a solid basis for improving the income of producers while ensuring a sustainable coffee industry within a market-oriented approach. From the discussions among eminent political, scientific and academic personalities, as well as private sector representatives, it emerged that the coffee industry is facing a number of challenges, including the removal of obstacles to free trade, transparency, management of price fluctuations, diversification, development of the market with a view to achieving a better balance between supply and demand, ways of increasing added value, coffee quality and issues related to health. A fuller account of the statements made during the conference will be issued shortly.

With regard to the situation of the coffee market in September, it may be noted that price levels were below expectations mainly on account of intensive speculative movements in petroleum products which influenced the activities of investment funds. The situation gives a clear indication of how speculation in the petroleum market can help to reduce liquidity in another market without taking account of fundamental factors. In fact, according to the report on stocks issued by CONAB (the Brazilian National Supply Agency) government-controlled coffee stocks have been sharply reduced. During the meetings in Brazil the Brazilian authorities announced that the volume of government-held stocks was around 2.5 million bags and 12.5 million in the hands of the private sector, the lowest level ever recorded in this country. Given the fall in Brazilian production for crop year 2005/06, it looks like stocks will be reduced even further. Furthermore, according to various reports I have received in the last few days, the natural disaster that hit Mexico and Central America in September and early October has caused serious damage to infrastructures affecting the coffee industry in the region. Further details will be given as soon as I receive more detailed information on the effects of this disaster. It should also be noted that there is still uncertainty in regard to the condition of stocks in New Orleans which also experienced catastrophic climatic problems at the end of August.

Price movements

Price levels in September were the lowest since the beginning of the year with the monthly average of the **ICO composite indicator price** at 78.79 US cents/lb compared to 85.31 US cents in August, a drop of 7.65%. The average for July was 88.48 cents (the level recorded on 12 October was 83.49 US cents/lb). Graph 1 shows movements in the ICO daily composite indicator price since 5 January 2004.

Graph 1: Daily composite indicator price 5 January 2004 – 12 October 2005

Prices were down for all four coffee groups, with Robustas recording the sharpest fall (Table 1). Graphs 2 to 5 show movements in the daily indicator prices for the four groups since January 2004.

Table 1: ICO daily indicator prices and futures prices (US cents/lb) – September 2005

	ICO composite	Colombian Milds	Other Milds	Brazilian Naturals	Robustas	New York*	London*
Sep-05							
1	86.22	110.23	109.07	96.94	52.01	106.20	47.15
2	85.55	109.48	108.07	96.54	51.45	104.50	46.56
5	85.37	109.48	107.73	96.54	51.20	Holiday	46.15
6	83.92	107.62	105.97	94.96	50.21	102.20	45.34
7	80.62	103.24	101.09	90.93	49.06	96.38	44.11
8	80.13	102.73	101.03	89.89	48.63	97.50	43.52
9	80.22	102.64	100.88	89.65	49.23	97.00	43.79
12	78.97	100.71	98.68	88.98	48.55	93.90	43.20
13	77.82	99.58	97.71	87.75	47.31	93.63	41.82
14	79.08	101.18	99.80	89.26	47.63	96.35	42.68
15	77.99	99.86	98.01	88.23	47.10	94.00	42.05
16	76.51	98.42	96.36	86.94	45.61	91.85	40.55
19	74.05	95.54	93.20	84.71	43.68	88.15	38.56
20	76.63	99.05	97.29	87.45	44.64	94.15	40.51
21	76.17	98.58	96.70	87.69	43.78	92.60	39.42
22	77.15	99.49	97.73	88.44	44.93	93.80	40.42
23	76.59	98.49	97.10	87.39	44.93	92.63	40.39
26	74.28	95.05	93.80	84.58	44.15	89.25	39.58
27	74.66	95.58	94.39	85.62	43.84	89.85	39.26
28	76.90	99.08	97.73	88.13	44.59	94.30	40.21
29	77.40	99.76	98.29	89.22	44.54	96.88	40.12
30	77.06	99.50	98.17	88.65	44.15	97.55	39.58
average	**78.79**	**101.15**	**99.49**	**89.48**	**46.87**	**95.37**	**42.04**
annual averages							
2000	64.24	102.60	87.07	79.86	41.41	94.58	40.11
2001	45.59	72.05	62.28	50.70	27.55	58.86	23.92
2002	47.74	64.91	61.54	45.25	30.02	57.02	25.88
2003	51.91	65.33	64.20	50.31	36.95	65.24	34.11
2004	**62.15**	**81.44**	**80.47**	**68.97**	**35.99**	**79.53**	**32.84**

* Averages of 2nd and 3rd positions

Graph 2: Daily indicator prices for Colombian Milds 5 January 2004 – 12 October 2005

Graph 4: Daily indicator prices for Brazilian Naturals 5 January 2004 – 12 October 2005

Graph 3: Daily indicator prices for Other Milds 5 January 2004 – 12 October 2005

Graph 5: Daily indicator prices for Robustas 5 January 2004 – 12 October 2005

Market fundamentals

Crop year 2004/05 has ended in all exporting countries. The latest information provided by Members confirms the figure of 114.85 million bags for world production in this crop year (Table 2). Crop year 2005/06 has almost ended in Brazil and the latest official estimates indicate a crop of 33.33 million bags, representing a cutback of 14% compared to crop year 2004/05. My estimates of **world production** for crop year 2005/06 remain unchanged at around 108 million bags compared to 114.85 million bags in crop year 2004/05. Very few countries show any signs of a probable increase in production during crop year 2005/06.

Table 2: Production in selected exporting countries

Crop year commencing	2001	2002	2003	2004	% change 2003-2004
TOTAL	**106 649**	**121 924**	**103 872**	**114 852**	**10.57**
Africa	***14 821***	***14 754***	***13 723***	***15 573***	***13.48***
Cameroon	686	801	900	1 100	22.22
Côte d'Ivoire	3 595	3 145	2 689	1 950	-27.48
Ethiopia	3 756	3 693	3 874	5 000	29.07
Kenya	991	945	673	917	36.26
Tanzania	624	824	611	964	57.77
Uganda	3 166	2 900	2 510	2 750	9.56
Others	2 003	2 446	2 466	2 892	17.27
Arabicas	*6 466*	*6 761*	*6 438*	*8 462*	*31.44*
Robustas	*8 355*	*7 993*	*7 285*	*7 111*	*-2.39*
Asia & Oceania	***27 316***	***25 644***	***28 757***	***27 424***	***-4.64***
India	4 970	4 683	4 495	4 850	7.90
Indonesia	6 833	6 785	6 571	7 538	14.72
Papua New Guinea	1 041	1 108	1 147	1 002	-12.64
Thailand	548	758	846	1 056	24.82
Vietnam	13 133	11 555	15 230	12 500	-17.93
Others	791	755	468	478	2.14
Arabicas	*4 444*	*4 281*	*4 201*	*3 960*	*-5.74*
Robustas	*22 872*	*21 363*	*24 556*	*23 464*	*-4.45*
Mexico & Central America	***17 178***	***16 384***	***17 096***	***15 594***	***-8.79***
Costa Rica	2 166	1 938	1 802	1 911	6.05
El Salvador	1 667	1 438	1 457	1 273	-12.63
Guatemala	3 669	4 070	3 610	3 450	-4.43
Honduras	3 036	2 497	2 968	2 750	-7.35
Mexico	4 200	4 000	4 550	3 867	-15.01
Nicaragua	1 116	1 199	1 405	920	-34.52
Others	1 324	1 242	1 304	1 423	9.13
Arabicas	*17 145*	*16 348*	*17 056*	*15 550*	*-8.83*
Robustas	*33*	*36*	*40*	*44*	*10.00*
South America	***47 334***	***65 142***	***44 296***	***56 261***	***27.01***
Brazil	30 726	48 480	28 820	39 272	36.27
Colombia	11 999	11 889	11 097	11 500	3.63
Ecuador	893	732	767	938	22.29
Others	3 716	4 041	3 612	4 551	26.00
Arabicas	*41 085*	*55 167*	*37 193*	*51 100*	*37.39*
Robustas	*6 249*	*9 975*	*7 104*	*5 161*	*-27.35*
TOTAL	**106 649**	**121 925**	**103 873**	**114 852**	**10.57**
Colombian Milds	13 399	13 381	12 253	13 046	6.47
Other Milds	27 038	26 620	26 667	26 444	-0.84
Brazilian Naturals	28 708	42 566	25 973	39 588	52.42
Robustas	37 504	39 358	38 980	35 774	-8.22
Arabicas	69 145	82 567	64 893	79 078	21.86
Robustas	37 504	39 358	38 980	35 774	-8.22
TOTAL	**100.00**	**100.00**	**100.00**	**100.00**	
Colombian Milds	12.56	10.97	11.80	11.36	
Other Milds	25.35	21.83	25.67	23.02	
Brazilian Naturals	26.92	34.91	25.00	34.47	
Robustas	35.17	32.28	37.53	31.15	
Arabicas	64.83	67.72	62.47	68.85	
Robustas	35.17	32.28	37.53	31.15	

In thousand bags

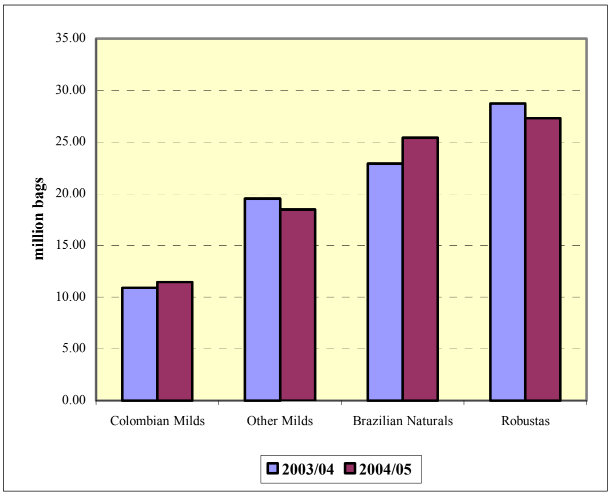
Exports for the month of August totalled 6.8 million bags, taking the total volume of exports for the first 11 months of coffee year 2004/05 (October 2004 – August 2005) to 82.66 million bags, a slight rise of 0.67% compared to the same period in coffee year 2003/04 when exports totalled 82.11 million bags. Cumulative exports of Arabicas for the first 11 months of coffee year 2004/05 have risen by 3.73%, from 53.37 million bags to 55.36 million, while those of Robustas have fallen by 5%. Exports of Brazilian Naturals were much higher than those of the other three groups, increasing by 10.91% during this period (Table 3). It should be noted that floods have caused serious damage to infrastructures in coffee producing areas in Mexico, Guatemala, Honduras, Nicaragua and El Salvador. It is likely that this will have an effect on coffee marketing and exports in these areas.

Table 3: Exports 2003/04 and 2004/05 (October – August)

	2003/04	2004/05	% variation
TOTAL	**82.11**	**82.66**	**0.67**
Colombian Milds	10.92	11.45	4.89
Other Milds	19.53	18.48	-5.36
Brazilian Naturals	22.93	25.43	10.91
Robustas	28.73	27.30	-5.00
Arabicas	53.37	55.36	3.73
Robustas	28.73	27.30	-5.00

In million bags

Graph 6: Exports 2003/04 and 2004/05 (October – August)



Exports for the first eight months of calendar year 2005 totalled 60.58 million bags and exports for the whole of calendar year 2004 totalled 90.70 million bags (Table 4).

Table 4: Annual exports 2003 – 2005

	2003	2004	2005 1/
TOTAL	85 864	90 698	60 581
Colombian Milds	11 767	11 392	8 124
Other Milds	21 056	21 500	14 528
Brazilian Naturals	23 753	26 625	17 600
Robustas	29 288	31 181	20 329
Arabicas	56 575	59 517	40 252
Robustas	29 288	31 181	20 329
Africa	*11 782*	*11 753*	*7 636*
Cameroon	814	734	509
Cote d'Ivoire	2 647	2 603	1 108
Ethiopia	2 229	2 491	2 039
Kenya	920	754	483
Tanzania	883	553	543
Uganda	2 522	2 627	1 748
Others	1 768	1 992	1 206
Asia & Oceania	*21 522*	*25 446*	*16 281*
India	3 707	3 647	2 014
Indonesia	4 795	5 456	3 734
Papua New Guinea	1 147	1 048	713
Vietnam	11 631	14 859	9 591
Others	242	436	229
Mexico & Central America	*13 202*	*12 740*	*9 904*
Costa Rica	1 702	1 424	1 274
El Salvador	1 304	1 325	1 135
Guatemala	3 821	3 310	2 945
Honduras	2 425	2 779	2 158
Mexico	2 595	2 361	1 459
Nicaragua	1 013	1 311	769
Others	343	230	164
South America	*39 357*	*40 758*	*26 759*
Brazil	25 694	26 412	17 405
Colombia	10 244	10 194	7 255
Ecuador	623	704	650
Others	2 796	3 448	1 449

In million bags
1/ January to August

Earnings from all forms of coffee exported by exporting countries in calendar year 2004 were around US$6.88 billion compared to US$5.59 billion in 2003 (Table 5).

Table 5:

Volume and value of exports

	2001	2002	2003	2004
Colombian Milds				
- Volume	11.67	11.37	11.77	11.39
- Value	1.02	0.98	1.04	1.22
Other Milds				
- Volume	22.89	21.44	21.06	21.50
- Value	1.83	1.70	1.74	2.13
Brazilian Naturals				
- Volume	22.08	24.65	23.75	26.63
- Value	1.42	1.31	1.48	2.07
Robustas				
- Volume	33.68	31.00	29.29	31.18
- Value	1.12	1.14	1.34	1.47
Total				
- Volume	90.32	88.45	85.86	90.70
- Value	5.38	5.13	5.59	6.88

Volume and value of reexports

Total				
- Volume	24.52	26.36	28.10	30.03
- Value	3.26	3.38	4.04	4.87

Volume and value of world exports

Total				
- Volume	114.84	114.81	113.96	120.73
- Value	8.64	8.51	9.64	11.75

Percentage

Exporting countries				
- Volume	78.65	77.04	75.34	75.13
- Value	62.30	60.26	58.04	58.55
Importing countries				
- Volume	21.35	22.96	24.66	24.87
- Value	37.70	39.74	41.96	41.45

Volume in million bags – value in billion US dollars

Stocks of green coffee in importing countries, including free ports, totalled 20.2 million bags at the end of August 2005. Certified stocks on the London (LIFFE) and New York (NYBOT) futures markets are shown in Table 6.

Opening stocks in exporting countries for crop year 2004/05 remain at the same level as indicated in my August 2005 report, namely 28.71 million bags (Table 7). It should be noted, however, that the volume of Brazilian stocks decreased by around 34%

between crop years 2003/04 and 2004/05. Bearing in mind the fall in Brazilian production in crop year 2005/06, it is likely that the volume of opening stocks in exporting countries will be very low compared to levels in recent years.

Table 6: LIFFE and NYBOT certified stocks

End of	LIFFE	NYBOT
Sep-00	**n.a.**	3.53
Sep-01	**n.a.**	3.41
Sep-02	2.11	2.26
Sep-03	2.47	4.42
Sep-04	4.04	4.94
Jan-05	3.88	4.51
Feb-05	3.81	4.51
Mar-05	3.80	4.50
Apr-05	3.72	4.50
May-05	3.64	4.52
Jun-05	3.64	4.51
Jul-05	3.65	4.55
Aug-05	3.72	4.48
Sep-05	3.90	4.35

In million bags

Table 7: Opening stocks in exporting countries (1990 – 2004)

Crop year commencing	Total	Colombian Milds	Other Milds	Brazilian Naturals	Robustas
1990	55.66	7.14	5.37	28.89	14.27
1991	52.97	7.67	4.94	28.41	11.95
1992	54.57	8.99	4.95	26.58	14.05
1993	51.16	6.70	3.19	30.21	11.06
1994	47.41	3.66	3.20	30.70	9.85
1995	53.55	6.21	4.21	33.30	9.84
1996	44.33	6.53	3.02	27.92	6.86
1997	42.72	4.41	2.17	28.69	7.45
1998	40.18	4.14	2.42	27.31	6.32
1999	41.66	3.30	2.04	29.78	6.54
2000	40.50	2.59	2.41	28.61	6.90
2001	41.79	1.96	2.59	30.30	6.94
2002	35.96	2.05	3.17	24.35	6.39
2003	40.27	2.07	2.89	28.31	7.01
2004	28.71	1.52	3.10	18.70	5.39
% change 2003-2004	**-28.71**	**-26.61**	**7.31**	**-33.93**	**-23.10**

In million bags

World consumption for the year 2004 is estimated at 115.1 million bags, compared to 111.8 million in 2003, an increase of 2.95%. **Domestic consumption in exporting countries** for crop year 2004/05 is 29.93 million bags, which represents 26.04% of total production and 26% of world consumption (Table 8). Domestic consumption in Brazil accounts for 13.46% of world consumption, making it the world's second biggest consumer after the United States.

It should be noted, however, that per capita consumption in 2004 is significant in only two exporting countries, namely Brazil (5.21 kg) and Costa Rica (4.03 kg) (Table 9).

Table 8: Domestic consumption in selected exporting countries (crop years 2001/02 – 2004/05))

Crop year commencing	2001	2002	2003	2004	2004 as % of production
TOTAL	**27 446**	**27 564**	**28 417**	**29 928**	**26.04**
Brazil	13 490	13 750	14 200	15 490	39.44
Indonesia	2 000	1 833	2 000	2 000	26.53
Ethiopia	1 833	1 833	1 833	1 833	36.66
Mexico	1 500	1 500	1 500	1 500	38.79
Colombia	1 400	1 400	1 300	1 300	11.30
India	1 134	1 134	1 134	1 134	23.38
Philippines	821	829	917	917	207.00
Venezuela	690	690	690	690	75.00
Thailand	500	500	500	500	47.35
Vietnam	500	500	500	500	4.00
Madagascar	128	217	333	433	77.32
Dominican Republic	340	340	378	378	68.11
Haiti	340	340	340	340	85.00
Côte d'Ivoire	317	317	317	317	16.26
Guatemala	300	300	300	300	8.70
Costa Rica	255	225	272	287	15.02
Honduras	200	200	200	230	8.36
Cuba	220	224	224	224	80.00
Congo, Dem. Rep. of	200	200	200	200	32.31
Nicaragua	181	185	190	190	20.65
Uganda	150	150	150	160	5.82
El Salvador	144	153	153	153	12.02
Ecuador	200	150	150	150	15.99
Others	603	594	636	702	7.30

In thousand bags

Table 9: Per capita consumption in selected exporting countries (calendar years 2001 – 2004)

	2001	2002	2003	2004
TOTAL	**0.66**	**0.67**	**0.69**	**0.72**
Brazil	4.68	4.70	4.84	5.21
Costa Rica	3.86	3.65	3.46	4.03
Dominican Republic	2.34	2.37	2.51	2.63
Haiti	2.51	2.48	2.48	2.48
Nicaragua	2.05	2.04	2.07	2.13
Honduras	2.02	1.77	1.77	1.84
Colombia	1.95	1.93	1.90	1.79
Venezuela	1.68	1.64	1.64	1.64
Ethiopia	1.57	1.64	1.64	1.64
Guatemala	1.54	1.50	1.50	1.50
Madagascar	0.43	0.69	1.08	1.45
El Salvador	1.04	1.37	1.43	1.43
Panama	1.39	1.31	1.31	1.31
Cuba	1.15	1.18	1.19	1.19
Côte d'Ivoire	1.12	1.16	1.16	1.16
Mexico	0.80	0.87	0.87	0.87
Ecuador	0.93	0.76	0.70	0.70
Philippines	0.64	0.62	0.66	0.69
Trinidad and Tobago	0.65	0.66	0.66	0.66
Indonesia	0.54	0.52	0.54	0.55

In kilogrammes

Consumption for all importing countries is estimated at 85.17 million bags in 2004 compared to 83.36 million in 2003. Table 10 shows consumption in selected importing countries and Table 11 shows per capita consumption.

It should be noted that retail prices of roasted coffee have increased in nearly all importing countries, with the exception of the United States and Slovenia (Table 12). Only six of the countries in which retail prices have gone up have recorded a fall in consumption. These are: Switzerland (-15.76%), Belgium (-15.18%), Netherlands (-12.48%), France (-7.87%), Italy (-1.78%) and Spain (-1.27%). On the other hand, many countries have recorded an increase in consumption despite the rise in retail prices. In the United States and Slovenia, where retail prices have fallen, consumption increased by 1.36% and 7.14% respectively. These figures indicate that the price level is no longer a determining factor for consumption in traditional markets.

Table 10: Consumption in selected importing countries (calendar years 2001 – 2004)

	2001	2002	2003	2004
TOTAL	**65 548**	**65 444**	**67 194**	**68 667**
European Community	***37 739***	***38 183***	***38 393***	***39 346***
Austria	1 049	952	757	1 033
Belgium/Luxembourg	987	1 635	1 719	1 458
Cyprus	53	52	54	64
Czech Republic	655	646	556	546
Denmark	863	806	726	847
Estonia	110	112	118	133
Finland	952	974	971	1 041
France	5 241	5 492	5 428	5 001
Germany	9 468	9 064	9 133	10 177
Greece	579	865	1 003	927
Hungary	739	710	582	561
Ireland	147	136	151	217
Italy	5 252	5 180	5 503	5 405
Latvia	156	151	170	168
Lithuania	203	208	189	235
Malta	15	26	34	26
Netherlands	1 732	1 641	1 827	1 599
Poland	1 958	1 952	2 096	2 202
Portugal	768	739	679	771
Slovakia	309	298	318	319
Slovenia	193	201	182	195
Spain	2 869	2 908	2 826	2 790
Sweden	1 259	1 235	1 181	1 241
United Kingdom	2 185	2 202	2 189	2 391
Other importing countries	***27 808***	***27 260***	***28 801***	***29 320***
Japan	6 935	6 874	6 770	7 117
Norway	711	692	682	709
Switzerland	819	824	844	711
U.S.A.	19 343	18 870	20 505	20 783

In thousand bags

Table 11: Per capita consumption in selected importing countries (calendar years 2001 – 2004)

	2001	2002	2003	2004
TOTAL	**4.50**	**4.46**	**4.56**	**4.64**
European Community	***5.01***	***5.05***	***5.05***	***5.17***
Austria	7.83	7.07	5.60	7.64
Belgium/Luxembourg	5.52	9.10	9.52	8.08
Cyprus	4.03	3.90	4.00	4.74
Czech Republic	3.85	3.80	3.27	3.21
Denmark	9.66	9.01	8.08	9.43
Estonia	4.85	4.94	5.24	5.91
Finland	11.01	11.24	11.18	11.94
France	5.31	5.54	5.45	5.02
Germany	6.90	6.59	6.64	7.40
Greece	3.47	4.72	5.46	5.05
Hungary	4.35	4.19	3.45	3.32
Ireland	2.30	2.08	2.28	3.27
Italy	5.44	5.44	5.73	5.58
Latvia	3.97	3.87	4.38	4.36
Lithuania	3.50	3.60	3.28	4.10
Malta	2.31	4.00	5.10	3.90
Netherlands	6.47	6.10	6.76	5.90
Poland	3.07	3.06	3.29	3.46
Portugal	4.48	4.28	3.90	4.43
Slovakia	3.45	3.32	3.55	3.56
Slovenia	5.82	6.03	5.46	5.85
Spain	4.24	4.23	4.05	4.00
Sweden	8.49	8.31	7.91	8.31
United Kingdom	2.22	2.23	2.21	2.41
Other importing countries	***3.95***	***3.84***	***4.03***	***4.07***
Japan	3.27	3.24	3.18	3.35
Norway	9.46	9.15	8.95	9.27
Switzerland	6.80	6.78	6.90	5.81
U.S.A.	4.09	3.95	4.25	4.26

In kilogrammes

Table 12: Retail prices of roasted coffee in importing countries

	2001	2002	2003	2004
European Community				
Austria	293.23	285.70	317.98	333.10
Belgium	299.75	305.13	259.53	387.23
Cyprus	358.16	405.01	491.67	523.35
Czech Republic				
Denmark	318.79	309.24	356.94	395.72
Estonia				
Finland	198.02	184.03	213.11	233.74
France	199.30	207.22	249.82	272.08
Germany	318.05	321.77	368.28	
Greece				
Hungary				
Ireland				
Italy	433.07	457.12	546.72	601.12
Latvia				
Lithuania				
Luxembourg	407.08	428.56	528.10	578.63
Malta				
Netherlands	255.28	260.34	320.01	347.29
Poland				
Portugal	383.76	385.32	455.63	484.90
Slovakia	225.63	219.89	247.05	269.97
Slovenia	304.70	310.50	373.95	372.59
Spain	254.15	258.11	300.07	323.38
Sweden	253.54	255.04	293.55	308.34
United Kingdom 1/	1185.00	1210.68	1333.62	1455.58
Other importing countries				
Japan	860.15	812.51	818.55	875.00
Norway	285.57	309.10	348.00	383.70
Switzerland	408.58	446.12	512.44	568.54
U.S.A.	309.26	292.38	291.63	284.94

In US cents/lb
1/ Soluble coffee

In conclusion, I wish to point out that September was a very poor month for the market. Prices fell and as a result of speculative movements the market was lacking in the liquidity and firmness noted in May and June. However, the unfortunate natural disasters that caused so much damage to the coffee industry are beginning to have some influence on the market since everything is pointing to a reduction in the availability of Arabicas. Finally, I would like to reiterate my thanks to the Government of Brazil and all public sector authorities and private sector representatives who contributed to the success of the 2nd World Coffee Conference and the ICO meetings held in Salvador, Bahia. I have no doubt in stating that international cooperation and the role of the ICO have been enhanced by the political support of Governments and the active participation of the private sector.