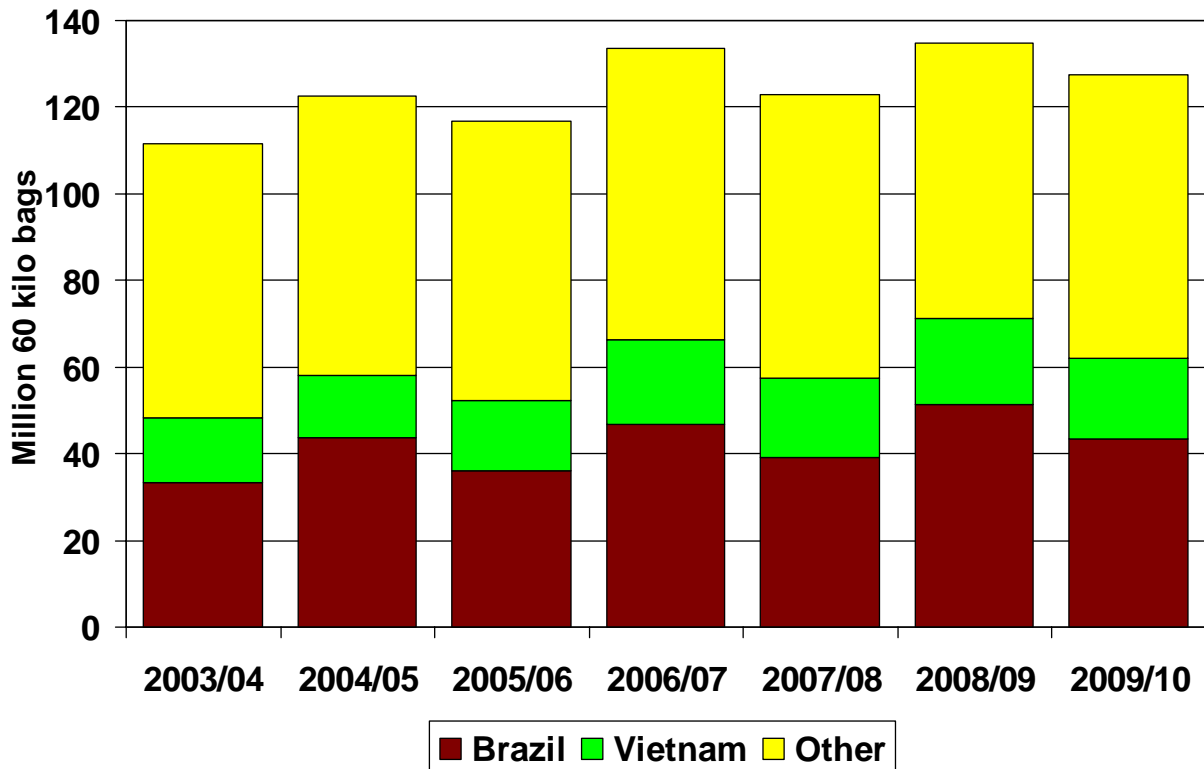




Coffee: World Markets and Trade

Brazil's Biennial Downturn Lowers World Coffee Production for 2009/10



Coffee: 2009/10 Forecast Overview

- **Coffee production forecast down from previous year's record**

Coffee production for 2009/10 is forecast at 127.4 million bags (60 kilograms or 132.276 pounds), down 7.3 million from last year's record harvest of 134.8 million bags. The decline is attributed to Brazil's 8 million bag drop as it enters the off-cycle of Arabica production. Brazil and Vietnam are forecast to produce 43.5 million and 18.4 million bags, respectively, accounting for 49 percent of the world's coffee. Other top countries include Colombia, Indonesia and India and are forecast to produce 12.2 million, 7.6 million, and 4.9 million bags, respectively.

Brazil: Production is forecast to fall 8 million bags to total 43.5 million in 2009/10. Arabica production is forecast to drop 7 million bags to total 31.9 million due to the off-year of the biennial cycle of Arabica trees. Despite the loss, Arabica trees benefited from favorable weather during blossom, cherry setting, and fruit formation, thus offsetting below average crop

