

B R A Z I L

Economic classification:	Middle Income economy	
Oil exporter or importer (net):	Importer	
Annual per capita income:	US\$2,258	year 1982
Annual per capita GNP	US\$2,240	year 1982
Average annual growth 1970-80	8.58%	
Annual inflation rate (current)	230%	
Volume of imports	15 billion US\$	year 1983
Of which food	12%	year 1983
Of which fuels	55%	year 1983
Principal foreign exchange earning export:	soybeans, coffee, orange juice	
Debt service as % of GNP	3.4%	year 1980
Debt service as % of exports	34.0%	year 1980
Population	125 million	year 1983
Annual population growth	2.5%	year 1983

I. GENERAL INFORMATION

1. Crop Situation and Outlook

All crops - with the exception of coffee, manioc and peanuts - will show significant improvement this year. Corn is expected to make a strong comeback from last year, when it was hit hard by inclement weather. Output will be about 14% higher than last year's 18.7 million tonnes. As for other crops, the following estimates have been advised to us: wheat, up 30% to 2.9 million tonnes; rice output is uncertain while government officials predict an 18% jump in output to 9.1 million tonnes.

In the current growing season (now getting under way), financing costs for farmers will be higher owing to a reduction in credit subsidies.

2. Foreign Exchange Situation

In the past few years the foreign exchange situation has been extremely difficult. In 1984 there has been an improvement because of a large trade surplus and a dramatic decline in interest rates on the national debt. Food imports are still a priority.

No, this country is not expected to be an international aid recipient.

3. Fertilizer Situation

Anticipated increase in production and consumption. Country remains major importer of fertilizer.

4. Import Mechanism

All wheat is purchased by the Junta do Trigo via the Banco do Brasil (Government agency). Purchases are negotiated and tendered mainly from Canada and U.S.