SEGUIU UMA CÓPIA POR VIA AÉREA

CLASSIFICAÇÃO
21 MAI 51
SAIDO

CONSULADO GERAL DOS ESTADOS UNIDOS DO BRASIL.

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Remessa de recorte
de jornal.

MINISTÉRIO DAS RELAÇÕES EXTERIORES
PROTOCOLO DE ENTRADA
21 MAI 1951
Nº 14971

À Secretaria de Estado das Relações Exteriores cumprimenta atenciosamente o Consulado Geral do Brasil em Nova York e, atendendo às recomendações constantes da Circular número 1153, de 13 de março passado, tem a honra de remeter, em anexo, um recorte do "The Journal of Commerce", desta cidade, publicado em 18 de abril corrente, em que são feitos comentários sôbre a possibilidade de o Brasil aumentar, no corrente ano, suas reservas de dólar.

Nova York, em 19 de abril de 1951.

TFJ.

Cons. Geral em Nova York/49/195//Anexo Único.

JOURNAL OF COMMERCE, N. Y., WEDNESDAY, APRIL 18, 1951

azil Expected to Earn Large Dollar Surplus

May Receive $1 Billion In Foreign Exchange if Prices Hold

Brazil will earn a heavy surplus on trade with the dollar area this year, according to an authoritative private report issued yeterday on Brazil's economic prospects.

The confidential study said that if demand for coffee, cotton, and cocoa is sustained at current prices this year, Brazil will receive an estimated $1 billion in foreign exchange, a substantial portion of which will be in U. S. dollars.

Big 1950 Surplus

The country had a 4.6 billion cruzeiro favorable balance on trade with the hard currency area in January-October, 1950, compared with a deficit of 1.3 billion cruzeiros in the comparable period of 1949. These figures relate primarily to trade done in U. S. dollars but include minor amounts of Swiss francs, Canadian dollars, and Portuguese escudos.

The report said that the Brizilian central bank had accumulated by the end of February this year an esttimated $150,000,000 in gold and dollars, in addition to "substantial" fixed reserves, after having paid off its dollar backlog of trade debts and most of the dividends, royalties, and other charges due in dollars.

To Maintain Rate

Although the newly-elected President Vargas stated in one of his pre-inaugural speeches that he was considering establishment of a multiple-rate system for the curzeiro, "informed sources believe," the study said, that the current official rates for the cruzeiro will be maintained for the time being, and possibly for some time to come.

Commenting on Brazil's major crops, the report made these points:

If weather conditions remain favorable in the coffee-producing areas, it seems likely that 16,000,000 bags of 60 kilos will be grown in the 1951-52 crop year. The cotton crop is expected to amount to 350,000 tons which supplemented by a 70,000-ton carry-over will leave from 175,000 to 200,000 tons available for export. This year's cocoa crop is expected to be about 20 per cent lower--about 2,070,000 to 2,170,000 bags. The United States has already bought over 55 per cent of this cocoa harvest, the study said.

The report warned that Brazil's

(Continued on Twenty-sixth Page)

Brazil to Earn Dollar Surplus

(Continued from Nineteenth Page)

economy, however, is subject to strong inflationary pressures that have as yet to be checked.

Currency in circulation is at an "inflated" level and may be further raised if the Brazilian Government goes through with its plan now under consideration to issue more notes to finance this year's exports at present high prices. A greater inflationary threat, the study continued, arises from President Vargas' election campaign promises of higher wages and salaries and an accompanying rise in the costof living which during 1950 was 37 per cent higher than in 1946 in the San Paulo area.