

# The Brazilian Review



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Notes

**Diplomatic News.** The new Argentine Consul General, Mr. Lix-Klett, is an excellent appointment. Coming of a commercial stock and engaged himself for some years in the cereal business, Mr. Lix-Klett was the life and soul of the *Onze de Setembro* Chamber of Commerce, the great authority in Argentina on all matters connected with that branch of commerce, and was the organiser of the great Argentine exhibit at Chicago that first opened the eyes of Americans to the possibilities of Argentine production and competition.

**The Last of Ituana Debentures.** The remainder of the £100 debentures have been handed over to the Treasury by the London & Brazilian Bank on payment of the final instalment of £49,243.

**The King's Birthday.** The reception held by the British Minister, Sir Hen. Dering, assisted by his first secretary Lowther, Consul Chapman and the Vice-Consul Rhind was, as usual, well attended by the British colony, with whom the King is particularly popular. Besides the usual representatives of other countries, diplomatic and consular, Barão de Penedo and several other well known Brazilians were present, Visconde de Barbacena having been prevented by ill-health as also was our editor, the *Brazilian Review*, in consequence, being, unfortunately, unrepresented.

**Consumption duties** for the first half of 1904 yielded 18,502:397\$ as against 14,660:499\$ in 1903, an increase of 3,811:898\$.

The movement was as follows:

Textiles.....	increase.....	2,486:237\$
Beverages.....	".....	763:956\$
Tobacco.....	".....	489:000\$
Salt.....	decrease.....	417:924\$
Playing cards.....	".....	2:384\$
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**Brazilian Coal.** Mr. J. C. White, the geologist has returned from his travels, having made the journey from Santa Catharina to Rio Grande on horse back. He reports the coal basin to extend from the confines of Minas and São Paulo, on the North to Rio Grande do Sul in the south, with a dip towards the South West. In Rio Grande he found seams of coal of 2m. whils in Santa Catharina they did not exceed 1m30. Mr. White reports the coal to be similar to the German brown coal and to be fit for use as it comes from the mines, but recommends manufacture into *briquettes*.

That the coal of Rio Grande was usable we knew already. Fifteen years ago we ourselves saw it in use on the Novo Hamburgo railway in Rio Grande, but the results were not encouraging and it was, we believe, afterwards abandoned. On the Government lines similar experiments were made with similar results, whilst in the numerous factories at Porto Alegre it is mixed for use with firewood. The disposition to use native coal is indisputable, so long as it can be economically substituted for the imported article. If it has not already taken its place, it is certainly because it is unprofitable to do so. What Mr. White has to do is to show how and where better coal can be got, or some practical means of utilizing what exists. Several attempts have been made to manufacture *briquettes* and a good deal of money has been lost in this manner. It is possible that the methods were ill advised and that Mr. White will be able on his return to indicate the right means of making full use, at least of the extensive coal beds that have been worked for years at São Jeronymo and are now pretty well explored.

It is to be hoped, however, that nothing rash will be done in the way of protective duties, that would be ruinous to other industries. If the coal industry is to be protected it would be far better to offer a premium on production than to put any impediment on the importation of the fuel indispensable to not only manufactures but the whole productive industry of the country, that depends on it for transport.

— Mr. White the geologist, left on the 11th inst for Bahia, where he will examine the petroleum deposits

CONGRESS

The Budget Committee proposes to raise the export duties on rubber from the Acre from 15 to 18%, payable at Manaus. From the confluence of the Solimões with the Rio Negro, to form the Amazon, to the city of Manaus is some 4 or 5 hours journey up stream. The Amazon Government demand that all steamers should touch at Manaus to determine whether the rubber is really from the Acre or from Amazonas itself and is being smuggled out without paying any duty at all either to the State or to the Federal authorities. The object of raising the duty is to make them approximate more with those charged by Amazonas, where 20% is levied by the State and 3% by the municipalities. The State of Pará wishes to secure the Acre trade for itself and, on the grounds that the obligation to proceed to Manaus would cause a serious loss to steamers, is opposing the Committee's proposal in Congress.

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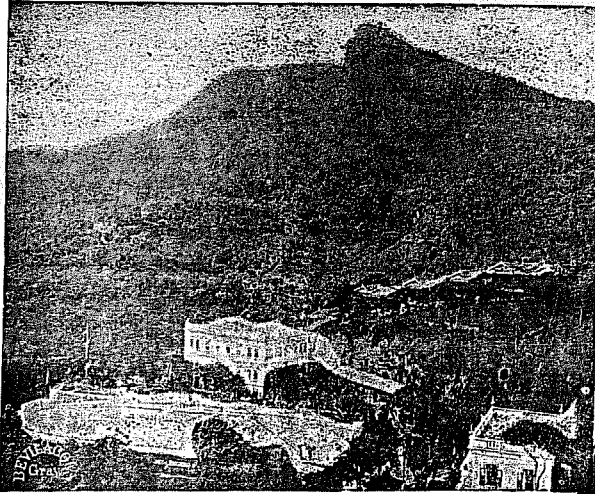
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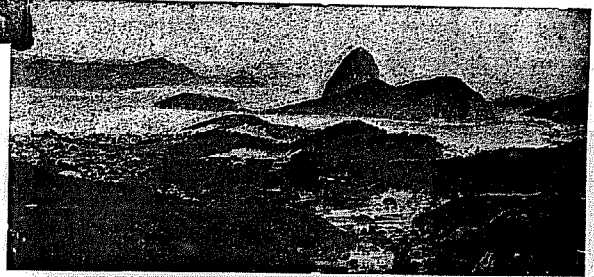
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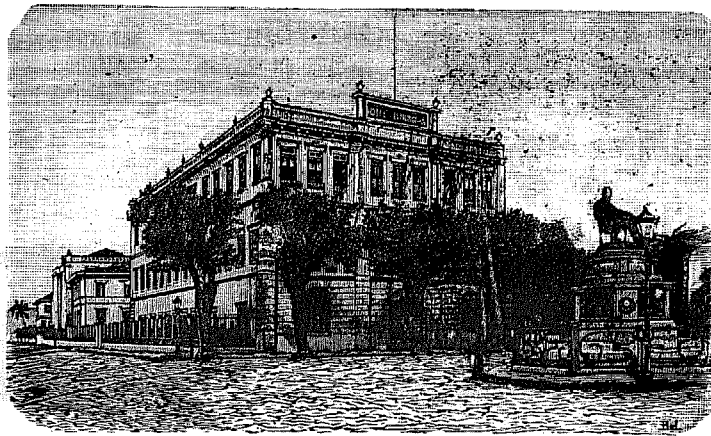
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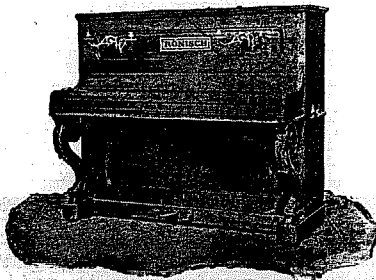
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# THE VISIBLE SUPPLY OF COFFEE

## I - World's Production

ENTRIES AT BRAZILIAN PORTS AND EXPORTS FROM OTHER PRODUCING COUNTRIES

SEASONS	Rio	Santos	Victoria	Bahia	Other ports	Total Brasil	Other producing countries (mild coffees)	TOTAL PRODUCTION
1897/8.....	4,537,716	6,152,593	445,243	356,349	—	11,491,901	4,840,000	16,331,901
1898/9.....	3,320,160	5,573,816	283,417	267,724	—	9,445,117	4,405,000	13,850,117
1899/1900.....	3,395,337	5,711,751	279,636	174,721	—	9,561,445	4,380,000	13,941,445
1900/1.....	3,015,968	7,973,148	203,699	180,556	—	11,373,371	3,785,000	15,158,371
1901/2.....	5,371,775	10,165,052	468,646	241,719	23,486	16,270,678	3,645,000	19,915,678
1902/3.....	4,002,935	8,357,452	414,151	197,914	21,082	12,993,534	3,752,000	16,745,534
1903/4.....	4,056,587	6,402,769	435,033	274,158	24,959	11,193,506	6,000,000	17,193,506
1897/8—1903/4.....	27,700,478	50,336,581	2,529,825	1,693,141	69,527	82,329,552	30,807,000	113,136,552

## II - World's Supply - Origin

EXPORTS FROM THE PRODUCING TO FOREIGN COUNTRIES ONLY

SEASONS	Rio	Santos	Victoria	Bahia	Other ports	Total Brasil	Mild coffees	GRAND TOTAL
1897/8.....	4,478,938	6,015,036	445,243	356,349	—	11,295,566	4,840,000	16,135,566
1898/9.....	3,242,725	5,516,582	283,417	267,724	—	9,310,448	4,405,000	13,715,448
1899/1900.....	3,280,696	5,736,188	279,636	174,721	—	9,471,241	4,380,000	13,851,241
1900/1.....	2,603,572	7,816,142	203,699	180,556	—	10,893,969	3,785,000	14,678,969
1901/2.....	4,805,678	9,728,135	468,646	241,719	23,486	15,267,664	3,645,000	18,912,664
1902/3.....	3,851,668	8,527,513	414,151	197,914	21,082	13,012,328	3,752,000	16,764,328
1903/4.....	3,801,775	6,516,787	435,033	274,158	24,959	11,052,712	6,000,000	17,052,712
1897/8—1903/4.....	26,155,052	49,856,383	2,529,825	1,693,141	69,527	80,303,928	30,807,000	111,110,928

## III - Supply - Destinations

BRAZILIAN COFFEE ONLY

	1897-8	1898-9	1899-1900	1900-1	1901-2	1902-3	1903-4	TOTAL 1897 TO 1904
Europe.....	5,062,217	4,416,001	4,758,424	5,357,040	8,094,398	6,915,439	5,116,165	40,327,054
Mediterranean.....	—	—	93,049	75,287	158,963	192,606	87,465	617,359
United States.....	6,028,065	4,695,942	4,378,196	5,231,869	6,764,071	5,584,878	5,646,725	38,329,746
Other countries.....	205,284	198,505	241,572	229,773	250,232	319,405	202,357	1,647,128
Total.....	11,295,566	9,310,448	9,471,241	10,893,969	15,267,664	13,612,328	11,052,712	80,303,928
Coastwise.....	290,526	237,407	231,230	252,815	289,364	360,843	271,317	1,933,502
Grand Total.....	11,586,092	9,547,855	9,702,471	11,146,784	15,557,028	13,973,171	11,324,029	82,237,430

## IV - Coastwise Shipments - Brazil

SEASONS	Rio	Santos	Victoria	Bahia	Other Ports	TOTAL
1897/8.....	244,288	40,120	6,118	—	—	290,526
1898/9.....	213,132	18,779	5,496	—	—	237,407
1899/1900.....	222,887	6,315	2,028	—	—	231,230
1900/1.....	243,651	5,128	4,086	—	—	252,815
1901/2.....	368,368	1,891	13,110	—	—	383,369
1902/3.....	246,473	12,871	52,297	—	—	311,641
1903/4.....	248,349	21,657	1,411	—	—	271,417
Total Coast.....	1,736,345	106,661	90,496	—	—	1,933,502
To foreign countries.....	26,155,052	49,856,383	2,529,825	1,693,141	69,527	80,303,928
Total exports from Brazil including Coast.....	27,891,397	49,963,044	2,620,321	1,693,141	69,527	82,237,430

## V - Entries and Deliveries

UNITED STATES AND 8 EUROPEAN PORTS AS PER EUROPEAN STATISTICS

SEASON	Entries	Deliveries at 8 European ports and those of the U. States During Zoon
1897-1898.....	16,205,000	14,795,000
1898-1899.....	14,090,000	13,415,000
1899-1900.....	14,855,000	15,065,000
1900-1901.....	14,800,000	14,430,000
1901-1902.....	19,365,000	18,845,000
1902-1903.....	17,325,000	16,440,000
1903-1904.....	17,702,000	16,786,000
1897/8—1903/4.....	114,342,000	106,776,000

## VI - Movement of Coffee in the United States

	Imports	Reexports	Nett Imports	Arrivals
1897/8.....	6,594,806	142,601	6,452,205	* 6,335,900
1898/9.....	6,301,720	227,804	6,073,916	* 6,018,000
1899/0.....	5,969,636	296,903	5,672,733	5,643,602
1900/1.....	6,476,298	347,237	6,129,061	6,116,290
1901/2.....	8,265,184	261,080	8,004,104	7,905,815
1902/3.....	6,932,472	361,374	6,571,098	6,871,027
1903/4.....	7,538,206	258,745	7,279,461	7,430,393
	48,078,322	1,895,744	46,182,578	46,321,027

\* These figures were taken from Dutch statistics.

As this table, (VI), shows figures for nett imports correspond almost precisely with those for arrivals. Re-exports not having been counted as arrivals, could not, therefore, have been included in deliveries. Consequently, contrary to European methods, deliveries in the United States represent the quantities that really entered into consumption in that country.

Comparing the figures for entries and deliveries according to Duuring & Zoon, and the New York Coffee Exchange for the period from 1899 to 1904, a difference of 1,633,000 bags will be found in each case, which corresponds almost exactly with the figures for re-exports from the United States, that according to European methods, are included in both arrivals and deliveries.

The so-called Visible Supply of the World is supposed to be compiled by official returns of stocks in bond in places where coffee is dutiable, such as Hamburg, Havre, London, Trieste and Marseilles, and by the statements of warehousemen at New York and other ports where there is no duty. The result thus obtained should correspond with the stocks arrived at by

calculation of the difference between arrivals and deliveries, with due allowance for initial and terminal stocks &c.

The figures for the so-called Visible Supply of the World, in fact, only concern the movement at the ports of the United States of America and the 8 principal European ports specified. For calculation of this Visible Supply, arrivals and deliveries at these ports, including re-exports in either case, are utilised. Entries and deliveries at all the other ports, though considerable, are not taken into account at all; but, as the figures for the Visible Supply are not supposed to include those markets, this makes no difference, because, virtually, no stocks being held in those countries (which comprise River Plate, Cape, Chile and some small ports in Africa, etc.) if the figures for our exports to same were included amongst arrivals they would have to be counted also as deliveries, and be thus counterbalanced. For all effects, the coffee at the United States and 8 European ports, afloat and in Brazil may be fairly taken to represent the World's Supply. The inclusion of the movement of receipts and deliveries at other markets, though necessarily more complete, could only serve to swell the Visible still more and for the purposes of this demonstration may be overlooked.

Applying the figures for arrivals and deliveries since 1 July 1897 at those markets, the Visible works out as follows:

A	
Visible Supply on 1st June 1897.....	3,977,000
Less afloat, and stock at Rio & Santos (afterwards counted as arrivals).....	969,000
	3,008,000
Arrivals, 1 July 1897 to 30 June 1904 as per table V.....	114,342,600
	117,350,000
Deliveries, 1 July 1897 to 30 June 1894 as per table V.....	106,766,000
	10,584,000
Stock in Brazil and Afloat, as per Duuring and Zoon's circular of 6 July 1904.....	1,736,000
Resulting Visible Supply on 30 June 1904.....	12,320,000
Duuring and Zoon's figures for same.....	12,485,650
New York Coffee do do.....	12,361,454

For all practical purposes the declared and calculated stocks are, therefore, identical.

This might be taken as conclusive were there not elements on both sides that cannot be proven. Such, on the one hand, are the irresponsible declarations of holders in the United States, of private warehousemen at Hamburg and in Holland, and since 1903, at Antwerp. On the other hand, the incorporation of re-exports with the figures for Supply and Consumption makes it almost impossible to verify the statement for either Arrivals or Deliveries for Europe. Re-export, however, must be very considerable, as the following figures would seem to indicate:—

B	
Arrivals in the United States and 8 European ports from 1 July 1897 to 30 June 1904.....	114,342,000
Less: Afloat on 1 July 1897 (Duuring & Zoon) included in arrivals.....	508,000
	113,834,000
Exports from producing countries to Europe, Mediterranean and U. States (table III).....	109,462,800
Less: Afloat on 1 July 1904 (not yet arrived).....	610,610
	108,852,190
Estimated reexports.....	4,981,810

This difference, roughly, represents the volume of re-exports from the 8 European and the ports of the United States for this period. It is, however, a minimum estimate, because amongst our figures for exports to the Mediterranean ports and Europe have been included some direct shipments from Brazil to Europe and the Mediterranean, apparently not included in European statistics of arrivals at the 8 European ports.

However, as we have said, so long as the re-exports are reckoned alike as entries and deliveries, their volume will not affect ultimate conclusions as regard the visible supply, though, of course, it makes appreciation of the real consumption extremely difficult.

Taking the above figures for re-exports as a minimum and deducting them from deliveries, the remainder should represent the maximum consumption of the World, i. e. of the United States and the 8 European ports, *ex* such other countries as receive their coffee direct from us, thus:—

C	
Deliveries, 1 July 1897 to 30 June 1904 as per table V.....	106,776,600
LESS: Re-exports as above.....	4,981,810
	101,794,790
Consumption Europe and U. S.....	101,794,190
Other countries (Cape, River Plate &c.) as per table III.....	1,647,728
Consumption of the "World", exclusive of that of producing countries calculated by the figures for deliveries of European and American statisticians.....	103,441,918

As far as the calculated stocks are concerned their accuracy must depend on that of their factors; principally on that of arrivals and deliveries. If either are incorrectly stated the conclusions must be vitiated. As we have shown, there are, in view of the incorporation of re-exports, no satisfactory means of verifying either one or the other. Another method must, therefore be sought, which we think may be supplied by the statistics for exports from producing countries, on the one hand, and of the actual consumption in receiving countries on the other. For both, official and absolutely reliable figures are available.

In tables II and III we offer our readers the elements for exact appreciation of exports from Brazil for seven crops, 1897/8 to 1903/4, inclusive. These figures are derived from the declarations contained in the manifests of out going vessels and may be regarded as accurate. We do not go further back than 1897/8 because previous to that date, when the *Brazilian Review* was founded, no reliable data are available.

To prove their general accuracy table I showing the volume of entries during the same period is given by which stocks at Rio and Santos can be worked out as follows:—

Stock at Rio and Santos 1 July 1897.....	445,000
Entries 1 July 1897 to 30 June 1904 (table I).....	82,320,552
	82,774,552
Shipments including coastwise from Brazil (table II).....	82,237,430
Stock in Rio and Santos on 30 June 1904.....	537,122
Real stock do do.....	1,072,069
Difference.....	534,887

We have always been of the opinion that, until lately, entries at Rio have been understated, and especially was that the case for 1897/1900 or 1901, when we had not yet completed our own arrangements for including coffees shipped direct from Santa Anna de Marubhy and Porto da Madama, (Nietheroy) which must have amounted to several hundreds of thousands of bags and with perhaps some initial understatement of stocks on 1 July 1897 are sufficient to account for the above difference.

In any case this shows that the maximum margin for error in our own statements of entries or shipments cannot exceed 535,000 bags.

As regards the exports of mild coffees from other producing countries we are obliged, in the lack of official statistics, to take the figures of European statisticians, of whom Messrs. Duuring and Zoon may be regarded as representative, as shown in Mr. Lacerda's article. These we have reproduced in tables I and II with a modification as regards 1903/4, for which, making allowance for the unexpected influx of mild coffees from Columbia, etc., we have raised the figures from 4,900,000 to 6,000,000 bags. Against this Mr. Lacerda protests, but in this matter we prefer to utilise the higher figures until the right ones can be satisfactorily demonstrated.

The figures in table II, therefore represent, the maximum volume of exports from all producing countries and as it is impossible for consuming countries to import more than is exported by all the producing countries, these figures must, therefore, likewise represent the maximum supply of the consuming countries of the World.

As regards Consumption, rejecting the statistics of "deliveries" as inadequate and unsatisfactory, the only other element available is that furnished by the official statistics of despatch for consumption at the Customs of the consuming countries. No coffee on which duty has been paid is likely to be re-exported, and as soon as it has been so despatched it may be regarded as having entered absolutely into consumption. In the case of countries like the United States, and, lately, of Belgium, where there are no import duties on coffees, some other method must be adopted, and until a better can be devised their own figures for deliveries must be adopted with due allowance for re-exports. As regards Holland, Mr. Lacerda says, consumption is allowed for by an estimate which is raised periodically.

### VII—World's Consumption

	1897	1898	1899	1900	1901	1902
Germany.....	2,275	2,355	2,600	2,680	2,865	2,885
France.....	1,290	1,325	1,355	1,365	1,405	1,430
Austria-Hungary.....	685	715	700	725	745	730
Belgium.....	485	515	545	540	545	550
Italy.....	215	225	235	235	255	270
Great Britain.....	205	210	225	235	275	245
Denmark.....	135	145	150	150	160	180
Switzerland.....	170	190	170	150	150	140
Portugal.....	35	40	40	35	45	45
Algiers.....	70	70	85	80	90	100
Sweden.....	500	455	420	490	510	435
Norway.....	275	285	275	330	300	300
Norway.....	195	205	160	170	200	215
Spain.....	75	80	110	85	125	120
Greece, Roumania, Servia, Bulgaria and Roumelia.....	80	95	85	80	90	95
Turkey and Asia Minor	160	160	160	160	170	180
Egypt and North Africa	35	35	40	40	45	50
Cape, Argentina, Australia, Canada, etc... Imports.....	415	395	345	340	380	420
	7,310	7,770	7,700	7,730	8,365	8,960
Holland.....   Estimated..	575	575	600	600	625	625
United States.....   Deliveries..	5,385	5,810	6,260	5,560	6,730	6,460
World's consumption.....	13,270	14,085	14,560	13,890	15,720	16,445

### SUMMARY

2nd half 1897.....	7,142,000
Jan-Dec. 1898.....	14,085,000
» 1899.....	14,560,000
» 1900.....	13,890,000
» 1901.....	15,720,000
» 1902.....	15,445,000
» 1903.....	17,138,400
Jan-June 1904.....	7,694,000
	105,674,400

(2) For 1903/4 and half of 1904 in the absence of official figures those of the Correspondence du Havre have been adopted.

(Continued on page 748.)

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## COMMERCIAL GUIDE

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C. Dabelow. — Conselheiro Saraiva 27. Cable ad: *Dabelow*.  
OrNSTEIN & Co. — São Pedro 65. Cable ad: *OrNSTEIN*.

### Druggists and Pharmacists

Francisco Giffoni & Co. — Rua 1º de Março N. 9, Drugs.

### Electrical goods

H. Smyth & Co. — English Electrical Supplies. Rua do Rosario 115.  
Telephone de Ouro. — Rua Gonçalves Dias 46. Electric supplies.

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J. Mann. — 69, Rua dos Ourives 1st floor. Facing Avenida and one door from Rua do Ouvidor.

### Importers and Exporters

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### Jewellers

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### Rubber and Stamps

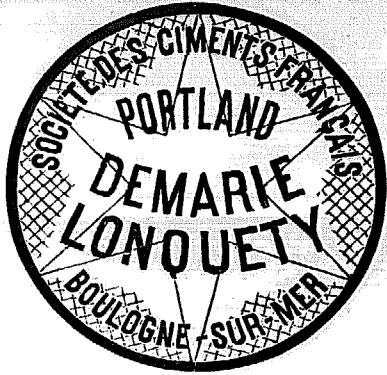
S. T. Longstreth, office and works, 16 Travessa do Ouvidor, 1st floor.

### Stationary — Books

Laemmert & Co. — 66 Rua do Ouvidor, Books, Stationary.

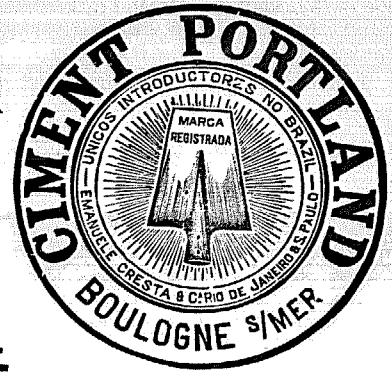
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Fonseca & Murray. — Rua do Ouvidor 42, 1st floor.



# CASA CRESTA

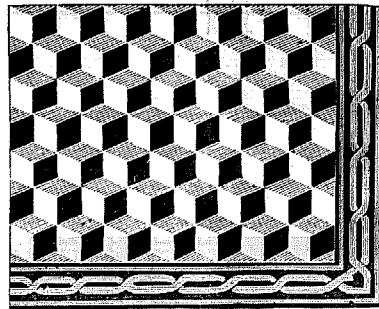
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WYSARD, WILSON & CO.

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Comparing this result with that obtained by calculation of consumption by means of deliveries and exports, it will be seen that the latter shows a total consumption of only 103,441,918 bags (C) as against 105,674,400 by the other method (VII) a difference of 2,232,482 bags. Of this 1,092,272 is accounted for by the consumption of Cuba, Argentina, Australia, Canada etc, as shown in table VII, which in view of the fact that only 1,647,728 were received direct from Brazil (table III) must either be re-exports from Europe or the United States or have been received direct from the "other producing countries", which, however does not seem very probable.

The figures for the above table (VII) discriminate the imports for every country to which we (Brazil) export, excepting Chile, Uruguay and one or two others of no importance.

We have checked the figures for a number of years for France, Germany, Great Britain, Belgium, Austria-Hungary, Italy and Portugal and find them accurate, with the exception of Great Britain, where there seems to have been some error in reduction of tons to bags, which, however, is not of much importance and the Australian colonies etc. which seem to be underrated. The figures may, therefore, be taken as representing the minimum consumption of duty-paying countries for the period under investigation. We have adopted Mr. Lacerda's figures for 1903 and half year of 1903/4, which we understand are the same as those given by Duuring & Zoon.

We now have elements more or less trustworthy for calculating the Visible Supply on an independent basis:—

Visible Supply on 1 July 1897 .....	3,977,000
Less stocks at Rio and Santos on 1 July 1894 afterwards included in the figures for exports.....	445,000
	3,532,000
Exports from Brazil from 1897 to 1904 (table II) .....	80,303,928
Exports of mild coffees (table III).....	30,806,000
	114,642,928
World's consumption as per table VII.....	105,674,000
	8,968,928
Stocks at Rio and Santos on 30 June 1904.....	1,072,009
Total Visible Supply on 30 June 1904 .....	10,040,937

Allowing the figures for production of mild coffees (6,000,000) for 1903/4 to be correct, the whole difference between ours and European statisticians' results hinges on the accuracy of the figures taken for consumption. If the figures in table VII are correct, then the Visible is only 10,040,937; if those in table C, then the Visible Supply is 12,303,019 bags, nearly the same as given by Duuring & Zoon.

We have done our best to help to clear up the subject by supplying absolutely reliable data with regard to exports from this side; the figures for consumption in all countries except the United States and Holland can be easily verified by reference to Customs Statistics of the consuming countries and it now remains for the European statisticians to show where our mistake lies, if there is any.

The subject is of such importance to coffee planters and the trade at large that we trust to see it thoroughly threshed out. It is, however, clear that the principles on which statistics are now based are inadequate and unreliable and should be revised. They were, perhaps, sufficient for the trade 50 years ago, when it was concentrated in comparatively few hands. Now something more modern and comprehensive is required and, as we here are more interested than any one in the matter, it would be well if our Government would send a delegate to Europe and the States with powers to call a Conference with the object of deciding the best basis for organisation of statistics of the Supply and Demand of Coffee, and if that prove impracticable to take steps to organize them on an independent basis.

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on 19th, November 1904.

Freight and parcels received through the Trapiche Silvino until day previous to sailing.

Valuables at the office, on the day of sailing, till 2 p. m.

**No parcels of any description will be received at the Company's offices**

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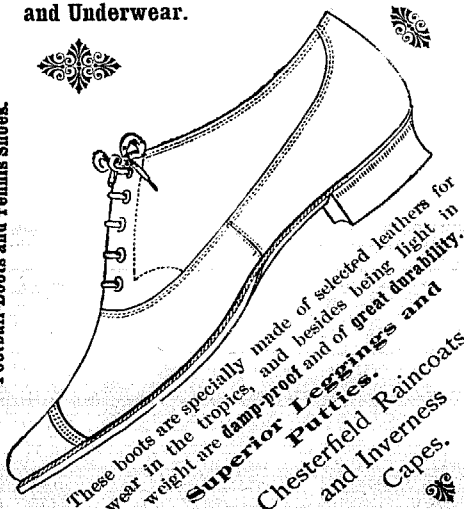
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**"Superaris" For those who want the BEST drink.**

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**Superior British Hosiery and Underwear.**

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These boots are specially made of selected leathers for wear in the tropics, and besides being light in weight are damp-proof and of great durability.  
**Superior Leggings and Putties.**  
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# Companhia de S. Christovão

## TIJUCA

### HOW TO GET THERE AND WHAT TO DO WHEN THERE

#### ADVICE TO VISITORS AND TOURISTS

**T**HE village of Tijuca lies in a gorge known as the Alto da Boa Vista, and though only 1,300 feet nearer to Heaven than the sweltering town, what a difference those few feet make!

To get away from the glare and heat of Rio to shade and coolness, all poor, panting humanity has to do is to take

the S. Christovão male car at the São Francisco square, at the head of the Rua Ouvidor, to the junction with the electric railway, which can't be missed, and then in one half hour's delightful ride in the electric car to the top of the hill! There a good Hotel will be found and carriages to carry visitors to the different points of interest.

A pleasant day may thus be spent that will linger long in memory.

If he do not wish to stay the night, the visitor can take a car down in the cool of the evening up to 10.33 p.m. The journey up takes about 1 1/2 hours from the S. Francisco square and 1 hour to 1 1/4 down.

To expedite matters, breakfast should be ordered at the Hotel White by telephone from the S. Christovão station in the Largo S. Francisco, as also carriages or saddle horses to visit the different points of interest.

Some of the points well worth visiting in the neighbourhood are: — the "Chinese View", the "Emperor's table"; Cachoeira or greater Cascade; Cachoeirinha or little cascade; the Grotto of Paulo and Virginia; Excelsior View, and if possible the peak of Tijuca itself. Most, if not all these points, with the exception of the peak, can be comprised in a circular drive of 2 to 3 hours through delightful woods. But should the visitor desire to visit the peak itself, saddle horses, which are not always obtainable, must be ordered in advance by telephone. The Peak is 3,608 feet above the sea, and is higher even than the Corcovado and, indeed, the highest point on the chain. After about half an hour's drive the carriage has to be left and another hour's climb carries one to the peak, in which steps have been cut out of the rock and a hand rail assists the weary climber to reach the top where he is rewarded with a view that has its like nowhere in this wide world, and beggars all description!

The unit of the money of the country is the mil réis (1\$000. worth just one shilling) This is subdivided into fractional nickel coins of 100, 200, and 400 réis, worth 1 1/4 d., 2 1/2 d., and 5d. respectively. Travellers had better change some gold at a money-changers (a respectable house will be found at 17, 1º de Março street), before leaving the city, and if unable to speak either Portuguese, Spanish or French, had better engage an interpreter (at Crashley's the English book-seller's, of 36 Rua do Ouvidor) for whom the charge is commonly Rs. 25\$000, for the day. Charges for breakfast at the Hotel White are at the rate of 4\$000 per head without wine. Carriages to visit the different points of interest cost 30\$000 for the round trip. Saddle horses cost 15\$000 per day but are difficult to obtain. As the electric cars only run on week days at stated intervals and there are none between the hours of 11.04 a.m. and 2.16 p.m., if the 11.04 car be missed it will be advisable to order a special by telephone, for which the charge is very moderate, only 25\$000 for 20 persons for the up journey.

Fares by mule tram to the junction with the electric railway are 200 réis each, and thence by the electric railway a return costs, 2\$500 or 2s. Roughly, one mil-réis goes about as far as 6d. would in England.



THE LITTLE CASCADE (Cascadinha)

### TIME TABLE

#### WEEK DAYS

FROM LARGO DE S. FRANCISCO DE PAULA	
A. M.	5.04—6.24—6.50 (from rua da Conceição luggage and passenger cars) —8.16—9.28 and 11.04.
P. M.	2.16—3.23 (from rua da Conceição luggage and passenger cars) 3.37—4.28—5.40—6.49 and 9.04.

FROM ALTO DA BOA VISTA	
A. M.	6.49—8.01—8.40 (luggage and passengers cars) — 10.00 and 11.10.
P. M.	12.48—4.01—5.04 (luggage and passengers cars)— 6.00—7.10—9.00 and 10.33.

#### SUNDAYS

Departure from the Largo de S. Francisco de Paula	
A. M.	5.04—5.52—6.28—7.04—7.28—7.52—8.28—8.52—9.16—9.52—10.16—10.40—11.16—11.40.
P. M.	12.04—12.40—1.04—1.28—2.04—2.28—2.58—3.23—3.52—4.16—4.52—5.16—5.46—6.16—6.40—7.04—8.04—9.04.

#### SUNDAYS

Departure from the Alto da Boa Vista for the Largo de São Francisco de Paula	
A. M.	6.45—7.41—7.13—8.09—8.37—9.05—9.33—10.01—10.29—10.57—11.25 and 11.53.
P. M.	12.21—12.49—1.17—1.45—2.13—2.41—3.09—3.37—4.05—4.33—5.01—5.29—5.57 (luggage and passengers cars) — 6.25—6.53—7.21—7.49—8.17—8.45—9.13—9.41 and 10.37.

### FARES

By horse cars from the Largo de S. Francisco to the Rua Uruguay, connecting with the electric cars.....	Ordinary cars.....	200 réis
	Special cars.....	500 réis
	Ordinary cars.....	300 réis
	Special cars.....	500 réis
Electric cars from the Junction to the Usina.....		200 réis
" " " " Usina to the Reservoir.....		300 réis
" " " " Reservoir to the Alto da Boa Vista.....		500 réis
Book of 30 tickets available between the Junction and the Alto da Boa Vista.....		30\$000
" " " " " " " " Reservoir.....		15\$000
		x x x

### THE FUSION OF THE PAULISTA AND MOGYANA RAILWAYS

In another section we give a translation of the proposal for the amalgamation of these two powerful companies, with the object of incorporating the Sorocabana and working all three as a single concern.

As to the advantages of amalgamation to the Companies themselves there can be no doubt whatever, nor in the long run to the public as well, which would be the gainer by more uniformity in the general plan of development of the yet untouched area beyond the present *termini*.

Indeed we have always thought that all the São Paulo railways should be worked as a single system, from the initial point at Santos to their furthest objective, in every direction. That, no doubt, will come in course of time, so long as a *modus vivendi* can be come to with the São Paulo railway, the key to them all.

From a local point of view, whether the Sorocabana be worked by the amalgamated lines or by the São Paulo Railway is of little importance to the public so long as some continuity of policy is secured and the respective rights and privileges are respected; but the companies themselves have everything to gain by cooperation and putting a stop to the somewhat foolish competition for traffic in a country where there are thousands of miles of yet almost untrodden ground awaiting the development that only railways will bring.

It is proposed to raise the share capital of the new concern to 150,000,000\$, to be distributed, share per share, 75,000,000\$ to the Paulista and 70,000,000\$ amongst the Mogyana shareholders, respectively, and to utilise the balance of 5,000,000\$ for extensions or construction of connecting lines. The Paulista shareholders are to get 5,000,000\$ more than the Mogyana, but that is more than made up to the latter by distribution amongst its shareholders of its reserves of about 7,600,000\$, impossible in the case of the Paulista, seeing that they have been invested in extensions.

Net earnings, according to the figures published, have been fully 12% for both companies on their realised capital for the last two years. On the Paulista, gross revenue amounted to 22,537,276\$ and on the Mogyana, including guaranteed interest, to 17,088,992\$. On the other hand, interest on the debenture debt of the Paulista absorbed £ 165,000 *per annum* and that of the Mogyana only 30,000\$ (£ 1,500), though the latter, it must be remembered, is under the liability to refund the guaranteed interest received from Government, which already amounts to some 11,000,000\$000.

The Paulista has a foreign debenture debt amounting to £2,487,500, whilst the Mogyana has only £295,500 outstanding in obligations of this description. A fall of exchange would, therefore, be prejudicial to the former but beneficial to the latter, and *vice-versa*. As regards the Paulista, the effects of a fall of exchange are provided against, to a certain extent, by the right to raise the tariffs, but there is a limit to that, especially when the prices of produce do not rise in proportion.

The aim and object of the amalgamation of the two companies is to acquire the Sorocabana. For this purpose, it is proposed to borrow abroad a sum sufficient to purchase the line, that may not, however, exceed its estimated net profits. To secure the good will of the São Paulo Railway Co., the amalgamated companies will undertake not to extend any of the existing or prospective lines to Santos and to maintain the interchange of traffic on its present footing on condition that the São Paulo Railway abandon its projected extension of the Braganthia branch in competition with the Mogyana.

We have no idea to what extent the São Paulo Railway

Company is a party to these proposals, or whether the original intention of the English concern of acquiring the Sorocabana for itself and of thus securing an ample field for future development has been abandoned, nor whether, even with the *benefit* of the English Company, so large a sum could be raised just at present without previous arrangements being come to, not only with the Rio Claro shareholders, but with that Company's debenture holders, which, we believe, would require an act of Parliament.

No doubt the security is excellent, the profits from working the Rio Claro alone being sufficient to meet the service of the Paulista's debenture debt, whilst that of the Mogyana is insignificant. That property with the Sorocabana and a second mortgage on the Paulista, therefore, would be more than enough to guarantee, probably, double the sum necessary for the purchase of the Sorocabana.

A powerful group of shareholders of the Mogyana Railway intend to present a resolution at the general meeting on Sunday (13th inst.) providing that the proposed amalgamation of the two companies shall only take effect on the following conditions:—

(I) That a formal engagement be entered into by the National Government to sell the Sorocabana property to the amalgamated companies for £ 3,250,000; (II) That proof be forthcoming of the possibility of raising the money in London at such a rate that interest shall not exceed 4,000,000\$ at 12 d.; (III) That a law be enacted by the State S. of Paulo approving the amalgamation and recognising the capital of 150,000,000\$ for the new company as the basis for distribution of dividends, organisation of tariffs and for expropriation etc. and, moreover authorising the executive to consolidate all the different contracts of the two companies. (IV) In case of amalgamation being carried out all the funds to credit of reserves or profits in suspense shall be distributed amongst the shareholders of the respective company.

### VACCINATION AND REVACCINATION

As if this question were not already sufficiently dangerous, the authorities have gone out of their way to deliberately put an extra tool into the hands of demagogues and antagonists bent on stirring up an already half-incensed people by publishing the draft of the most senseless code of regulation that could be possibly devised, even by Dr. Oswaldo Cruz who, it is understood, is regulation-mad!

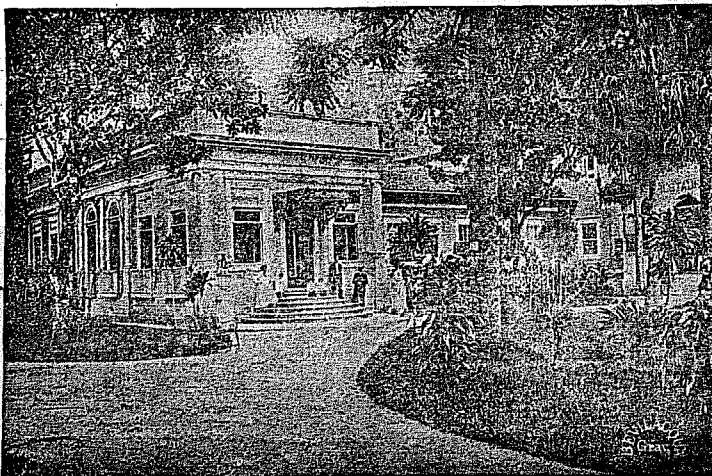
From the cradle to the grave there is no escape and, if we cannot be prevented, unfortunately, from coming unvaccinated into the world, if regulations and fines could do it, vaccinated we shall live in it and revaccinated go out, or Dr. Oswaldo Cruz will know the reason why!

Every chance of evasion is provided against by one fine, at least, and there is no political and scarcely any civil or even physical act that can be performed without showing proof of vaccination previously.

Every employer is to be responsible for the vaccination of the employed and not a cook nor a clerk but must show their certificate before they can be engaged, under penalty of a fine of 50\$ per head. Amongst the qualifications of electors must, in future, be counted the certificate of vaccination, whilst without it no one can hope to be a civil servant, a schoolmaster, a baker a butcher or even a President! Like the old lady who had an overgrown daughter and had to take the family bible with her on her travels to prove her offspring to be under twelve, in future when we take a ticket we must present the certificate of vaccina-

## GRAND HOTEL WHITE

THE FORMER RESIDENCE OF COUNT ITAMARATY  
ALTO DA TIJUCA — RIO DE JANEIRO



Managed by the proprietor, "MARTIN."

## The Paradise of Brazil

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Fine airy bedrooms.  
Pure spring-water on the premises.  
Choice Wines, Liqueurs & Cigars.  
Shower, needle, douche & plunge baths.  
First class table.  
Billiards. Prices from 10\$ a day.

N. B. Every attention paid to the comfort of the guests.

TELEPHONE NO. 1094.

tion with the cash before we shall be allowed to travel by land or sea or find a hotel howsoever humble to take us in! Furthermore, no one can even visit us or land on these shores without exhibiting his certificate of vaccination or running the risk of being revaccinated *instantly* by a *medico* on the wharf. If he do slip in, the captain of the vessel will have to pay a fine of 20\$000 per unvaccinated head!!!

Anyone who incautiously rubs his arm thus preventing the vaccine from taking will be fined 500\$000 (£25) and if he object and resists the vaccinating officer's advances will have to pay double. As about 99  $\frac{3}{4}$  percent of the population do not possess 500\$, much less a *conto*, and never will, these last clauses don't count.

Nothing is said of the Diplomats, but we suppose they will have to show their certificates as well and foreign governments be advised that only vaccinated ministers, secretaries and consuls will be allowed *exequatur* in future.

These regulations are the completest in their way that we know of, and are a credit to Dr. Oswaldo Cruz and the Government, that seem bent on destroying the little individuality there's left in us and on drilling every one by fines and regulations into their own conception of the healthy man.

Healthy not wealthy is the motto, and to attain this rights of property are overridden and the people driven desperate by fines and inquisition. This is a quiescent people, whose passions are easily relieved, by words not deeds, and after the steam has blown off quickly subside again. But now that Dr. Passos has thoughtfully prepared the *targo* de S. Francisco by laying down a comfortable asphalt pavement, some day, raised to boiling point by such monstrosities, they will boil over and there will be trouble in the departments.

#### REPORT ON THE TRADE OF RIO DE JANEIRO FOR 1903

BY MR. VICE CONSUL RHIND

When there were no statistics at all of general imports and exports, except those that the Customs chose to furnish for each locality, Consuls and Ministers took those they could get and made the most of them. Now that they have as good statistics, if yet a little tardy, as they will find anywhere, like Oliver, they are always asking for more and if they go on like this will soon want the Statistical Department to write their reports for them too!

The volume of statistics for 1903 is now in the press, terribly behindhand it is true, but even Moses could not make bricks without straw, and it is not to be wondered at that, with the increase of imports and, consequently, of the labour involved in classifying, a staff calculated to cope with 112,000 invoices in 1901 was insufficient to keep the work up to date when they grew to 140,000 in 1903. Yet the cry is "still they come!"

If anyone wants to know what hard work really is and the amount of labour involved in entering the details of a single invoice from its cradle, perhaps in some foreign language, to its grave in the archives, after its contents have been classified according to article, origin and destination, let him spend a week in the Statistics Service, and that will be enough. Now that an auxiliary service has been created, the back work is being rapidly picked up and by next year it is expected that everything will be as up to date as is possible in a country, whose area is nearly as big as Europe's, and from its *ultima thule* at Itacatiara on the Amazon or Cuyabá on the Paraguay, the data for exports take two long months to arrive.

There is no reason why such statistics should not be published showing the origin of the goods received at every separate port instead of lumping them together for all ports of the countries receiving the imports and exports respectively, except that it would cost three times as much in time, money and labour as at present, and is not to be thought of!

The foregoing sentence is so involved that we doubt if anyone but a statistician or, perhaps, a Consul will unravel its occult meaning, which is, that you should never look a gift horse in the mouth.

As regards Santos origin is already discriminated in virtue of a special arrangement with the Government of S. Paulo; and as for Rio, has not Vice Consul Rhind the Custom House Statistics to refer to as before?

It is not exports, however, that delay, they are up to date, the bulletin for the 3rd quarter of this year being ready for the press, but Imports.

Mr. Rhind, we fear, asks too much. There are no statistics anywhere that we know of, not even in Great Britain, the model of everything excellent, where statistics are given for imports per origin for each single port.

Mr. Rhind does not think much of the commercial situation and his conclusions are right if the premises are wrong. In point of fact, the amount of money lying idle at the foreign banks in current account without interest has fallen off so much as to be a matter of concern to the managers, who would like to have a little more to work exchanges with. On 30 September 1901 deposits at sight in all the branches of the foreign banks throughout the country amounted to 112,291,000\$, but on 30 September of the current year had fallen nearly 28%, to only 81,450,000\$. As exchanges have improved, debt to foreign creditors has been liquidated and, as banks themselves report, there is now comparatively little left to remit.

Debt has been paid off abroad and the foreign banks are making money, though not so much as they might; (who does?), and yet Mr. Rhind is not happy and cannot believe that the commercial situation has improved, because there is no confidence and discounts are difficult and almost impossible.

No doubt the last is true but even that is not incompatible with improvement; meaning that until "confidence" is restored,

which will be a long time yet, traders must rely more on capital than on credit, as they are doing. In this way, dishonest traders will be gradually weeded out and a residuum remain that will leaven the whole lump in time; but it is tedious work, when laws are not to be relied on to induce people to be comparatively honest or to punish them if they are not. Therein, in fact, lies the whole secret of the failure of this great and productive country to attract either capital or immigrants and until some reasonable guarantee can be given of recovery of just claims through the courts there can be no improvement.

As regards commercial failures we believe that they have been much less frequent of late, because most of the weaklings have gone long ago. Planters, too, are not so much in arrear as is generally represented and with fair prices for a crop or two will rapidly pay off obligations, at least, to their labourers.

Mr. Rhind attributes the steadiness of exchange to a better system of government remittances and the control of the exchange market by the Bank of the Republic. This stability, he thinks, may continue until the foreign loans are exhausted, but fears that after that increase of imports and decrease of exports will then upset the apple cart again.

But why prophecy disagreeables? It is true that Government expenditure on public Works is increasing, but for that purpose money is provided by special loans. Imports are increasing likewise, it is true, and a very good thing too, as it shows we can pay for them, whilst, instead of diminishing, exports are going up in a way that promises to soon put this country on its legs again. Besides, the trail of the serpent is over all the argument, that represents the balance of trade or even of payments as the only factor of foreign exchanges.

As a fact, the volume of the currency is a much more powerful factor and, as there is no intention of increasing that, we see no reason except a regular economic cataclysm why exchanges should not keep more or less at the present rates without any assistance from Government at all. What the Government bank can and ought to do is to prevent speculation from playing fast and loose with rates and prevent oscillation as far as possible.

It is true that 70% of exports does seem a pretty big share to have to pay for government, but, after all, exports represent only a fraction of the income of most countries, and in some cases taxation might be double the value of exports without impoverishment. Still, it is in the case of countries like this, that works principally for export, a fair way of appreciating the incidence of taxation! Let us compare the ratios of taxation to the value of exports here with that of some other countries, taking for this purpose national taxation only in the absence of reliable data regarding provincial taxes in other countries, as given in Mr. Wileman's essay on the Finances of the States, incorporated into the last report of the Minister of Finance.

	Ratio of Taxes to Exports
Canada .....	23.9 $\frac{1}{2}$ %
British Colonies.....	28.3 $\frac{1}{2}$ %
Mexico .....	33.1 $\frac{1}{2}$ %
United States of America.....	35.1 $\frac{1}{2}$ %
Argentina .....	42.3 $\frac{1}{2}$ %
Brazil (federal).....	44.8 $\frac{1}{2}$ %
Great Britain.....	47.4 $\frac{1}{2}$ %
Uruguay .....	57.4 $\frac{1}{2}$ %
Egypt.....	70.7 $\frac{1}{2}$ %
Australia.....	75.1 $\frac{1}{2}$ %
India.....	76.8 $\frac{1}{2}$ %

From this it appears that as far as taxation for National purposes goes, the position of Brazil, if not of the most brilliant, is at least a great deal better than many other countries, including Australia and Uruguay; as regards Great Britain it is not on all fours, because, besides exports that country has other immense international resources derived from shipping and investments abroad. As regards Australia, expenditure includes the administration of the railroads, which are all public property and yield about 4% profit.

Referring to the reduction of duties for certain American products on the one hand and the general exaggeration of tariffs on the other, Mr. Rhind remarks, that they point to a want of continuity in fiscal policy highly risky to investors. He is quite right. Next to the insecurity entailed by unsatisfactory administration of commercial law, the two factors that have kept this country back since the abolition of slavery, are paper money and tariffs. There is no security, no stability for anything, and fresh foreign capital not only refuses to come here, but what little there is, except with government guarantees, takes the first good opportunity of withdrawal.

As for mining it seems hopeless, so long as the Constitution grants to the owner of surface rights ownership of the subsoil as well. To get over that, however, something like a revolution would be needed. The only way out of the difficulty is to tax unworked mines so heavily as to force owners to work or sell.

It is a pity, as Mr. Rhind says, that British shipowners did not see their way to acquire the Brazilian line when it was offered. They will, we fear, suffer severely for it, as the two German coast lines just established will act as feeders for their lines and take away a great deal of the home cargo that would otherwise go to English steamers. We cannot understand why the question of the flag should be a difficulty; it is not in other countries, and if in time of war or revolution the ships should be taken for government use they would be well paid for and the company indemnified for any damages. Besides neither wars nor revolutions are normal conditions, even in Brazil.

Mr. Rhind's report is generally very accurate and though, of course, as to some of the subjects he touches on opinions will differ, it is altogether as good and fair an exposition of affairs in this part of the world as could be presented.

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DEPOSIT IN THE NATIONAL TREASURY: 200:000\$000

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Rio de Janeiro.

## COMPANHIA DE LOTERIAS NACIONALES DO BRAZIL

SEDE: — 38, RUA PRIMEIRO DE MARÇO, 38

Endereço Telegraphico LOTERIAS Caixa do Correio, 41

Contracto no Thesouro Nacional para as loterias da União de 31 de Dezembro de 1896

Extracções diarias — RUA VISCONDE DE ITABORAHY, 9 — RIO DE JANEIRO

bb-be-ea

x x

## COMPANHIA ASSUCAREIRA

PRAIA DA SAUDE, 40 A

The sugar refined in this factory, is the whitest, driest and purest, and therefore the cheapest in the market, containing, as it does, 10% more saccharine matter than the sugar refined by hand with the use of animal blood; it is prepared by the best processes known to date, and as used in the most advanced countries; is free from all deleterious substances and has the great advantage that it can be kept for a long time without absorbing moisture or deteriorating. **It is not ground!**

### COMPARATIVE ANALYSIS OF:

This Company's refined sugar	German refined sugar	One of the best samples of 1 <sup>st</sup> sugar refined by hand, in this city
Sugar..... 98.90	Sugar..... 98.70	Sugar..... 90.30
Glucose..... 0.19	Glucose..... 0.09	Glucose..... 3.60
Water..... 0.80	Water..... 0.40	Water..... 3.16
Ash..... 0.03	Ash..... 0.01	Ash..... 0.12
Other impurities..... 0.08	Other impurities..... 0.80	Other impurities..... 2.82
100.00	100.00	100.00
Neutral reaction. (Signed) Paul Lamy.	Alcaline reaction. (Signed) Paul Lamy.	Neutral reaction. (Signed) Paul Lamy.

We shall shortly begin the manufacturing of tablettes as used in Paris, London, Berlin, Brussels, Amsterdam, etc., and which are already known to the public.

Sold at: Messrs. Barboza & Co. — Rua do Rosario No. 55. — Teixeira Borges & Co. — Rua do Rosario No. 66 and by all first class grocers

DEPOSIT: LARGO DA LAPA NO. 5

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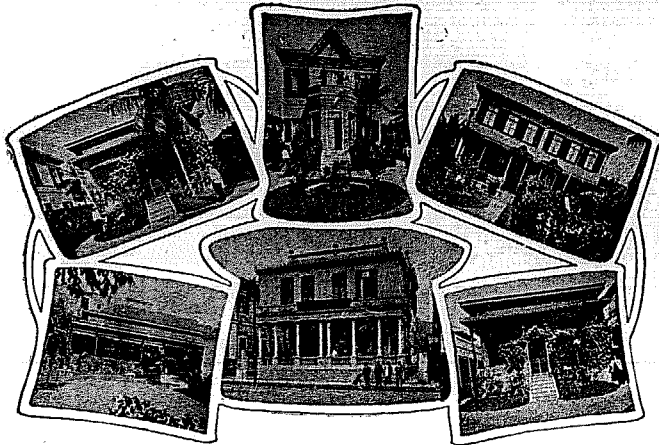
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AND  
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and Cigars.**

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English, French, German  
and Portuguese SPOKEN.

MANAGER:

PROPRIETORS:

**Jorge Gieseler. M. & B. Niederberger.**

## PETROPOLIS

This important and healthy suburb of the City of Rio de Janeiro, is situated amongst the hills to the North at an altitude of 826 metres (about 2,700 ft.) above the level of the sea.

PETROPOLIS is an extremely picturesque city with good drainage and water supply, and lighted by electricity. It is the fashionable suburb and summer resort, the nights being always cool, even in mid-summer. The Hotels are excellent.

Steamers, the property of the Leopoldina Railway Co., leave Prainha Wharf at 6.19 a.m. and 4 p.m. daily for an hour's journey across the Bay to Mauá, when passengers are transferred to a train which arrives at Petropolis at 8.26 a.m. and 6.10 p.m. Return trains from Petropolis by the Bay route leave daily at 7.30 a.m. and 5.54 p.m. The steamers are fitted with every convenience, restaurant, buffet, etc. The return fare, available for 8 days, is 10\$800.

Petropolis is also served by a railway route (a branch of the Leopoldina Railway) which runs round the Bay in combination with the Central Railway. Trains leave Central Station at 5 p.m. daily (S. Francisco at 5.28 p.m.), and return from Petropolis at 5.55 a.m.

The ascent of the range of hills to reach Petropolis by the Leopoldina Railway is made by the Riegenbach Rack system on one of the heaviest gradients (1 in 6-1/2) of any mountain railway in the world, so that the route is interesting and the scenery extremely picturesque.

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Lunches and Dinners prepared to order.

Poulets à la broche (roasted chickens) always ready, price 2\$ plain, and farcis (stuffed) 3\$000.

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This is the most powerful specific yet discovered for the cure of diseases of the respiratory organs. It is infallible in cases of violent coughs, chronic bronchitis, whooping-cough, asthma, Hemoptysis, and other lung troubles.

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Our Elixir de M. struço contains no codeine, morphine or any similar narcotics and its application is, therefore, free from danger. It has an agreeable taste and for this reason can be taken by persons with the most delicate stomachs.

Sold by all druggists and chemists and at the

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RIO DE JANEIRO

## São Paulo to Rio Grande Railway

Report presented to the shareholders at the ordinary general meeting held on 3rd November

GENTLEMEN:—

The Board of Directors did not intend to convoke an ordinary general meeting before next March, when they hoped that several important matters, awaiting Government decision and referred to on former occasions, would have been finally settled. The Board, however, has decided to convoke this meeting to present their statement of the financial position of the Company and to submit to your approval the balance sheet on 15th September last. This formality is, in accordance with decree No. 177 A and the demands of the Camara Syndical of Rio de Janeiro, requisite previous to publication of the prospectus and determination of the rate of issue in Europe of the new loan for the construction of the line to São Francisco.

The following balance sheet shows the situation of the company on 15th September 1904:—

ASSETS	
Capital uncalled, francs 4,500,000.....	1.694.400\$000
Itararé line: Value of the concession for 1000 kilometres of line of which 540k028 surveyed and 403k058 under traffic.....	22.176.471\$556
S. Francisco line: Value of the concession for 1000 kilometres of line of which 144k320 surveyed.....	1.257.576\$130
Fresh construction and surveys.....	2.885.511\$867
Real Estate.....	232.945\$550
Installation and furniture of offices at Rio and Paris....	28.913\$000
Directors security, 600 fully paid up shares.....	105.900\$000
Securities held in Brazil.....	314.800\$000
Bills receivable.....	452.347\$150
Sundry accounts.....	604.612\$098
Cash: Balance on hand in Brazil.....	415.915\$901
In Europe £272,394-13-6.....	2.421.285\$9
	32.599.669\$236
LIABILITIES	
Capital—francs 30,000,000.....	10.590.000\$000
Foreign Loan: 94,576 5/8% debentures (frs. 500) redeemable in 90 years.....	16.692.785\$037
Directors' security.....	105.900\$000
Reserve Fund.....	3.530.000\$000
Sundry Liabilities and Exchange.....	1.671.984\$199
	32.590.669\$236

There are still 80 %, uncalled on 12,0000 shares of 500 francs each out of the total of 60,000, representing the nominal capital of 30,000,000 francs, as determined by art. 3 of the Statutes of the Company.

Construction on the Itararé line, which will connect the States of São Paulo and Rio Grande, is well advanced, the section from Pirahy to Porto da União on the left bank of the Iguaçu, surveys for which showed a length of 403k028, since slightly reduced, is now complete, the last length having been officially opened to traffic on 8th October last.

We are pleased to say that, in spite of the heavy masonry work entailed, this work has been executed not only within the cost fixed by the guarantee of 30 contos gold per kilometre but also within the term fixed by Government, at which both the Minister of Public Works and the representative of the Société Générale, Engineer René Trotier, lately here on a visit, have duly expressed their satisfaction.

Work has been commenced on the São Francisco line intended to connect the port of São Francisco with Argentina and Paraguay. The completion of the first section of this line will be the signal for a new era of prosperity for the company, consequent on the increase of traffic on all its lines and by the opening to colonisation of the vast region it will traverse. This will be the opportunity for utilising the waste lands, and for turning settlers into proprietors of their lands, the only policy practicable for colonising so vast a zone. Happily the public men in Santa Catharina have given us great encouragement in this respect.

Were we the lessees of the Paraná Railway, work on this section might be started simultaneously at different points, but though we do not dispose of this auxiliary line, we shall do all that lies in our power to connect the port of São Francisco do Sul, one of the most important on this continent, with the State of São Paulo at Itararé, as soon as we have obtained the necessary authorisation from Government to make a junction with the Sorocabana at Itapetininga.

As we said in our report of the 28th February 1903, with the exception of the surveys already approved, the valuation of the São Francisco line is entirely favourable to the S. Paulo and Rio Grande Railway, nothing having been spent on the transfer of the guarantee of the gold interest except for stamps.

Very shortly, we shall ask for authorisation to commence work on the Itararé section whilst continuing the construction on the following sections:—from Itararé, 60 kilometres North, between Pirahy and Jaguarialva and 100 kilometres South to Taquaral; on the São Francisco line the section of 144k320 from the port of São Francisco to São Bento, the studies for which have been duly approved by decree No. 5,280 of the 9th August last year.

The surveys show that the São Francisco line will enjoy a good traffic as soon as it is opened, as also the Itararé line as soon as the connecting line North and South is complete. Independent of this the latter line has made fair progress, the loss on working having been reduced from 566:531\$003 in 1900 to 111:077\$452 in 1903, whilst the report to be published next March will, it is expected, be more favourable still.

The materials employed on our lines are superior in quality to that exacted by Government, and are in a state of good repair, and our workshops are already in a position to successfully turn out part of the rolling stock.

The Reserve Fund is not invested in easily realisable securities, but represents the advantages acquired in the transactions effected by the Company and is invested as shown in the balance sheet.

Before concluding, we desire to express our gratitude for the devotion shown by the Company's staff and the invaluable services of the Advisory Board, as also the assistance that our bankers, the Société Générale pour favoriser le développement du Commerce et de l'Industrie en France, have lately lent to the company in the form of the new issue of 200,000 debentures of the value of 100,000,000 francs for the construction of the São Francisco line.

We have already received telegraphic advice of the realisation of this important operation from our zealous representative, Sr, Hector Legru, under whose charge the Company's representation in Paris at rue Louis Le Grand No. 11 still continues.

In place of Dr. Vicente Machado, who has lately taken charge of the Government of Paraná, Dr. Carvalho Chaves has been named our legal representative in that State and Dr. Ernesto de Oliveira in the same capacity for the State of Santa Catharina.

Such are the particulars that we beg to bring to your attention and should any further be required they will be supplied at the general meeting.

Rio de Janeiro, October 26 1904, *Roxo de Rodrigues*, President of the Company.

### Report of the Advisory Board

TO THE SHAREHOLDERS. The Advisory Board, in compliance with the legal dispositions, beg to give you the following information suggested by a minute examination of the affairs of the São Paulo and Rio Grande Railway Co. The technical and financial development under the present administration is the most eloquent testimony in favour of the capacity of native engineers.

The examination of the books and the balance sheet of the 15th September is satisfactory and we recommend it to your approval, as also the ratification of all the acts and accounts to that date.

The report of the directors supplies all the information requisite for appreciation of the affairs of the Company.

Rio de Janeiro, October 27, 1904.—*Rafael Nunes Leal, Antonio de Paula Freitas, Mario da Silva Nazareth.*

### TELEGRAM FROM THE KING

*Sandringham, Nov. 11th. 1904.*

To Sir Henry Dering Bart.—British Minister, Petropolis. I am commanded by the King to thank you, the Members of the Legation and the British Residents in Rio for their congratulations.

Signed, *Lord Knollys*—Private Secretary.

### NOTICE

Owing to the riots, our printers were unable to work on Monday, the day we go to press, and Tuesday being a National Holiday, the delay was irretrievable and the mail lost in consequence. We, therefore, count on the indulgence of our numerous subscribers for the involuntary delay in the delivery of the present issue.

### General News

**Local Items.** The returns of the Director General of Public Health for week ended 6th November are as follow:—Yellow fever 2; bubonic plague, 10; small-pox, 103; measles, 0; scarlet fever 0; diphtheria 1; whooping cough, 1; influenza, 7; typhoid fever, 3; dysentery, 3; Beriberi, 2; leprosy, 1; erysipelas, 1; marsh fevers, 14; pulmonary diseases, 59; other contagious diseases, 8; Total 214. Violence, (including suicides) 8. Non-contagious diseases, 170. Total deaths from all causes, 392; equal to an annual death rate of 24.11 per 1,000 inhabitants. Mortality of contagious diseases to total number of deaths 54.59%. Under treatment in hospitals: yellow fever, 0; small-pox, 253 and bubonic plague, 105.

—We have to ask the indulgence of readers with no direct interest in coffee for again occupying so large a share of our space with the discussion of the Visible Supply. In point of fact, the solution of a problem that so closely affects the prosperity of the greatest industry in the country concerns each and every one of us, howsoever detached personal interest in it may appear. Here in Rio, at least, we all live on coffee, and to us high or low prices mean prosperity or depression.

—On the 2nd inst. old notes of the Treasury issues were burned to the value of 33,728:740\$ as also 3,328:990\$ of the Bank issues, 2:281\$ new notes and 3,295:900\$ in *inscrições* (3% bonds) of the Bank of the Republic.

At a mass meeting held a few days ago, a senator of the Republic, Dr. Lauro Sodré, recommended the people to resist attempts to enforce vaccination and practically preached revolt. It is true he ate his words later on in the Senate, where he toned down his revolutionary anti-vaccination league into a mild and inoffensive protest against high handed authority.

The people, however, are not yet ripe for revolt though they are ripening.

— Dr. Varella, who with his arm in a sling is back again in Congress, and Germano Hasslocher are at it again, hammer and tongs, trying to prove that the kettle is blacker than the pot, and *vice versa*.

— Dr. Varella may or may not be all his adversaries call him, but that he is a man of high courage is indisputable, attempted assassination, even, not having him daunted and, though yet, only partially recovered from his wound, he has recommenced the attack, in and out of Congress and renewed publication of his paper *O Commercio* to begin with.

Thoroughly sympathising with his object, which is to cleanse and purify the administration, we cannot but regret that his methods should be so violent and offensive as to alienate the sympathies of a large section of the public. The same ends could, we believe, be attained by more legitimate means and without dragging purely personal matters of little general interest into discussion.

**Rio de Janeiro.** The Governor, Dr. Nilo Peçanha, has vetoed the legislative enactment securing to the concessionaires of the projected railway to Petropolis equal rights and privileges as may in the future be granted to similar undertakings.

— The Pacific s. s. *Orissa* took 160,000 dozens of oranges and 4,000 bunches of bananas for Montevideo. The energetic Dr. Nilo Peçanha is exerting himself to obtain a reduction of freights for fruit from here to the Plate, where it is certain a big trade might be built up if only supplies on this side could be relied on.

**São Paulo.** A terrible accident occurred at Taubaté. Sr. Alfredo Doux, a well known manufacturer of Rio de Janeiro, when trying to alight from a train still in motion, fell between the platform and the car, the wheels of which passed over one of his arms which was amputated with fatal results, Sr. Doux expiring almost immediately after.

— BRAZIL AT THE ST. LOUIS EXPOSITION. A telegram to the Secretary of Agriculture at São Paulo states that Brazil has been classed in the fourth place, having taken 1,522 prizes, the State of São Paulo being first amongst its Brazilian peers.

**Pernambuco.** Should the weather continue favourable, the next sugar crop is expected to be a big one, and unless Brazil join the Brussels convention it may be difficult to find a market for the surplus.

— The Minister of Finance is deeply concerned with the scandalous frauds openly acknowledged and even boasted of in the Pernambuco Customs and, after consultation with the President will probably order an enquiry to be opened. If we remember right it was only two or three years ago a similar enquiry was held by Sr. Jansen Muller, that resulted in the suspension of some and discharge of other officials. For a time matters improved, but as soon as the effect wore off, encouraged by the comparative impunity of their predecessors, the new lot seem to have adopted the same tactics and are making hay whilst the sun shines. So it will always be: the higher duties are raised, the greater will be the incentive to fraud and the less will be the percentage received by Government. Unfortunately, politics seem to be mixed up in this as, in almost everything in this country, and it is to be feared will hamper government's action.

**Pará.** The 12th November, the birthday of Dr. Paes de Carvalho was celebrated with popular rejoicings at Belem, where his progressive and kindly administration is still gratefully remembered. In commemoration of the event a medallion was affixed to the front of his residence.

### Books Received and Notices

Hossfeld's Portuguese Grammar, by Frank Thomas, published by Hirschfeld Bros. Lim. London. This grammar is a great improvement on the usual works of this kind. Without descending to tiresome and trivial minutiae a comprehensive description is given of the main principles of construction and the peculiarities that each language possesses which have been termed its genitis.

The rules are clear, concise and as few as possible. Great use is made of questions and dialogue, and particular attention is given to the use of auxiliaries and potentials, such as *could*, *might* could etc., and to the neophyte the puzzling use of the apparently synonymous *ser* and *estar*, *ter* and *haver*, *por*

and *para* etc., is made clear. The selection for reading is excellent and a very useful appendix is added giving a very comprehensive vocabulary of commercial and other phrases and idiomatic miscellanies as well as a badly needed tabular scale of verbs (weak and strong) showing the contrast of forms for the imperfect and preterite.

We can recommend this work as the best we know for learning the Portuguese language.

### Money Market

#### LATEST CABLE QUOTATIONS

	1904	1903
Rio de Janeiro 90 d/s closing Bank Rate, Nov. 12.....	12 1/2	11 37/32
N.º 7 New York type of coffee, Nov. 11 per 10 kilos	65570	48808
do do do do 11, Spot.....	8 1/2c.	6 1/2c.
do do do do 11, Dec. options	7.10c.	5.55c.
Rio de Janeiro: 5 % Apolices (internal), Nov. 12.....	1:0000000	985000
Bank of England Rate.....	2 1/2	4 1/4
Open market Rate London 3 months.....	2 1/2	4 1/4
London Quotations..		
Bonds 1889, 4 %.....	80 3/4	76 1/4
1895, 5 %.....	95	99 1/2
1903, 5 %.....	95 3/4	98 1/2
Funding loan, 5 %.....	103	102 1/2
West. Minas, 12 1/2 %.....	92 3/4	85 3/4

#### QUOTATIONS DURING WEEK CLOSING NOVEMBER 11th, 1904. WEEK AS FOLLOWS—

(COMPILED, BY PERMISSION, FROM THE FIGURES GIVEN DAILY IN THE JOURNAL DO COMMERCIO)

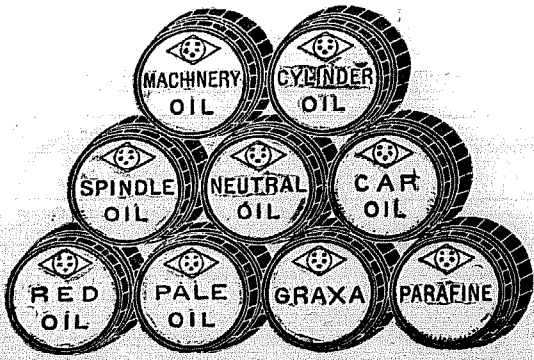
OFFICIAL RATES	SIGHT		New York		Italy		Hamburg		Paris		London	
			réis	d	réis	réis	réis	d	réis	réis	d	réis
Maximum and Minimum Bank Counter Drawing Rates	90 d/s	New York	4.015	4.019	752	781	788	781	777	762	762	764
			4.015	4.019	781	781	788	781	777	762	764	764
		Hamburg	705	708	708	705	707	707	707	707	707	707
			705	708	708	705	707	707	707	707	707	707
	Paris	705	708	708	705	707	707	707	707	707	707	
		705	708	708	705	707	707	707	707	707	707	
	London	12 13/32	12 23/64	12 23/64	12 7/16	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32
		12 13/32	12 23/64	12 23/64	12 7/16	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32
	3 d/s	New York	4.015	4.019	781	781	788	781	777	762	764	764
			4.015	4.019	781	781	788	781	777	762	764	764
		Hamburg	705	708	708	705	707	707	707	707	707	707
			705	708	708	705	707	707	707	707	707	707
Paris	705	708	708	705	707	707	707	707	707	707		
	705	708	708	705	707	707	707	707	707	707		
London	12 13/32	12 23/64	12 23/64	12 7/16	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	
	12 13/32	12 23/64	12 23/64	12 7/16	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	12 13/32	
Nov.	Sat.	12 7/16	708	710	708	710	708	710	708	710	708	710
			708	710	708	710	708	710	708	710	708	710
	Mon.	12 13/32	708	710	708	710	708	710	708	710	708	710
			708	710	708	710	708	710	708	710	708	710
Tues.	12 7/16	708	710	708	710	708	710	708	710	708	710	
		708	710	708	710	708	710	708	710	708	710	
Wed.	12 7/16	708	710	708	710	708	710	708	710	708	710	
		708	710	708	710	708	710	708	710	708	710	
Thurs.	12 7/16	708	710	708	710	708	710	708	710	708	710	
		708	710	708	710	708	710	708	710	708	710	
Fri.	12 7/16	708	710	708	710	708	710	708	710	708	710	
		708	710	708	710	708	710	708	710	708	710	
Av. rate:	1904.....	12 7/16	708	710	708	710	708	710	708	710	708	710
	1903.....	11 37/32	681	708	708	708	708	708	708	708	708	708

Extremes at which business was done during the week ended Nov. 11th, were 12 7/16—12 1/2 for 90 d/s Bank premier and 12 1/2—12 13/32 d. for private.

The average Bank 90 d/s counter drawing rate for the week comes out at 12 7/16 d. the corresponding sight rate being 12 1/2 d. against 12 11/32 d. the average sight rate of the *Camara Sindical*.

The average depreciation for the week, calculated on the basis of the Bank's sight rate, is 14 16 % and the premium on gold 118.18 % against 54.62 % and 120.10 % last week. At these rates:

	was worth	195394	against	195592	last week
1 £.....	.....	809	.....	8079	.....
1 shilling.....	.....	8081	.....	8051	.....
1 penny.....	.....	\$74	.....	\$79	.....
1 Franc.....	.....	\$32	.....	\$61	.....
1 Mark.....	.....	\$584	.....	4595	.....
1 U. S. Dollar.....	.....	48836	.....	44881	.....
1 200000 coin.....	.....		.....		.....



## STANDARD OIL COMPANY OF NEW YORK

(THOMPSON & BEDFORD DEPARTMENT)

Lubricating oils for Machinery, Cylinders, Looms, etc. Patent Grease. Black Grease. Paraffine for the manufacture of matches, Candles, etc.

A large stock always on hand  
**Sole representatives: -- BEHREND, SCHMIDT & CO.**  
 STORES: Rua da Prainha, 125  
 OFFICES: Rua General Camara, 37, 1st floor.  
 RIO DE JANEIRO

**LONDON AND BRAZILIAN BANK LIMITED**

Capital..... £ 1,500,000  
 Capital paid up..... " 750,000  
 Reserve fund..... " 600,000

HEAD OFFICE: LONDON

BRANCH OFFICE IN RIO DE JANEIRO

10, Rua da Alfandega

Draws on Head Office and the following Branches and Agencies:

LISBON, OPORTO, MANAOS, PARA',  
 PERNAMBUCO, BAHIA, SANTOS, S. PAULO,  
 RIO GRANDE DO SUL

PELOTAS, PORTO ALEGRE, MONTEVIDEIO,  
 BUENOS AYRES, ROSARIO DE SANTA FE' AND NEW YORK

Also on:

Messrs. Glyn, Mills, Currie &amp; Co.,

LONDON.

Messrs. Mallet Frères &amp; Co.,

PARIS.

Messrs. Schroeder &amp; Co., J. H. Schroeder &amp; Co.

HAMBURG.

Messrs. Job. Berenberg, Gossler &amp; Co.,

HAMBURG.

Messrs. Granel, Brown &amp; Co.

GENOA.

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**BRASILIANISCHE BANK FÜR DEUTSCHLAND**

Established in Hamburg on 16th December, 1887 by the «Direction der Disconto Gesellschaft» in Berlin and the «Norddeutsche Bank in Hamburg», Hamburg.

Capital..... 10,000,000 Marks.

BRANCH OFFICE IN RIO DE JANEIRO.

Rua da Quitanda, No. 109

(Caixa 108)

Branch-offices in S. Paulo, Santos and Porto Alegre.

(Caixa 520) (Caixa 185)

CORRESPONDENTS IN

Pará, Manóos, Maranhão, Ceará,  
 Pernambuco, Paratyba, Bahia, Macció, Victoria,  
 Rio Grande, Pelotas,  
 Curitiba, Paranaguá, Santa Catharina, &c.

Draws on:

GERMANY... { Direction der Disconto  
 Gesellschaft, Berlin } and corres-  
 { Frankfurt a M. Beunen } pondents.  
 { Norddeutsche Bank in }  
 { Hamburg Hamburg. }

ENGLAND... { N. M. Rothschild & Sons London  
 Direction der Disconto Gesellschaft  
 London. }

{ Manchester and Liverpool District  
 Banking Company Limited, London.  
 Union of London and Smiths Bank  
 Limited London.  
 Wm. Brandt's Sons & Co., London. }

FRANCE... { Credit Lyonnais, Paris, and branches  
 Heine & Co., Paris.  
 Comptoir National d'Escompte de  
 Paris, Paris.  
 Lazard Frère & Co., Paris.  
 De Neufize & Co., Paris. }

ITALY..... { Banca Commerciale Italiana, Genoa,  
 and branches. }

PORTUGAL.. { Banco Lisbon & Açores and corres-  
 pondents. }

and any other countries.

Opens accounts current.

Pays interest on deposits for fixed periods.

Executes orders for purchases and sales of stocks, shares etc., and transacts every description of banking business.

Theil-John

Directors

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**THE BRITISH BANK OF SOUTH AMERICA, LIMITED.**

HEAD OFFICE: 2 A, MOORGATE ST

London, E. C.

Capital..... £ 1,000,000  
 Idem paid up..... " 500,000  
 Reserve fund..... " 325,000

Office in Rio de Janeiro

31, RUA 1º DE MARÇO

Branches at:

S. PAULO, BAHIA,  
 BUENOS AIRES, MONTEVIDEO, AND  
 ROSARIO.

Agent at Santos:

F. S. Hampshire &amp; Co., Ltd.

Correspondents in Pernambuco, Pará,  
 Manóos, Ceará, Macció, Victoria, Santa  
 Catharina, Paranaguá, Curitiba, Rio Grande  
 do Sul, Pelotas and Porto Alegre.

Draws on its Head Office in London:

The London Joint Stock Bank Limited,

LONDON.

Messrs. Heine &amp; Co.,

PARIS.

Messrs. J. Berenberg Gossler &amp; C.,

HAMBURG.

and correspondents in Germany,

Messrs. Roesti &amp; Co.,

and correspondents in ITALY

The Bank of New York, N. B. A.

NEW YORK.

Receives deposits at notice or for fixed periods and  
 transacts every description of banking business.

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**Banco da Republica DO BRAZIL**

Realized Capital... Rs. 100,000,000\$000

Reserve Fund.... Rs. 17,480,078\$736

Profits in Suspense. Rs. 11,157,639\$835

-on 31st December 1899

OFFICE IN RIO DE JANEIRO

9 Rua da Alfandega

Agencies at Pará, Maranhão Ceará, Pernambuco,  
 Bahia, Victoria, Santos, São Paulo, Desterro,  
 Rio Grande do Sul, Porto Alegre & Pelotas.

Draws on:

Messrs. N. M. Rothschild & Sons.  
 London & County Banking Co., Ltd.  
 Messrs. Baring Brothers & Co., Ltd.

LONDON

Messrs. Hottinguer &amp; Co.

De Rothschild frères.

PARIS.

Norddeutsche Bank in Hamburg.

HAMBURG.

Banco de Portugal.

LISBON.

Opens accounts current:

Pays interest on deposits for fixed periods.

Executes orders for purchases and sales of stocks  
 and shares etc. and transacts every description of  
 Banking business.

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**THE LONDON AND RIVER PLATE BANK, LIMITED**

Established 1862

Subscribed capital..... £ 1,500,000  
 Realised do..... " 900,000  
 Reserve fund..... " 1,000,000

HEAD OFFICE:

Princes Street, London, E. C.

PARIS BRANCH:

16, Rue Halévy.

RIO DE JANEIRO—19-21 Rua da Alfandega.

Branches:

PARIS, PARA' PERNAMBUCO, S. PAULO,  
 SANTOS, BUENOS AYRES, MONTEVIDEO,  
 ROSARIO, MENDOZA, BAHIA BLANCA,  
 PAYSANDU' CONCORDIA

Agencies:

MANAOS, MARANHÃO, CEARA'  
 BAHIA, VICTORIA, PARANAGUA', RIO  
 GRANDE DO SUL,  
 PELOTAS, CURITYBA, PORTO ALEGRE  
 MACEIO'

Draws on Head Office and Paris Branch and on:

London, & County Banking Co., Ltd.—LONDON.  
 Banque de Paris et des Pays Bas.—PARIS.  
 Banco de Portugal and Agencies.—PORTUGAL.  
 And all the principal cities in Europe.

and on:  
 Farmers Loan & Trust Co.—NEW YORK.  
 First National Bank of Chicago.—CHICAGO.

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**THE BRAZILIAN COAL COMPANY, LIMITED**

Representatives of

CORY BROTHERS &amp; C. L'D

of Cardiff and London

Colliery Proprietors

Coal Depôts in all the principal ports of the  
 world.

A constant and fresh supply of Cory's Merthyr  
 Steam coal always in Stock.

Prompt delivery at reasonable prices.

Tugboats always ready for service.

Engineering Works.

Repairs to Ships, Launches, Machinery,  
 Lighters etc., effected with the utmost possible  
 dispatch.

OFFICES:

Edificio da Bolsa Salas 26 and 27

Entrance: Rua Gen. Camara.

Depot: ILHA DOS FERREIROS

P. O. Box 774.

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Rio de Janeiro

Lighterage Company Limited

All kinds of Maritime harbour  
 transport.

Loading and discharge of vessels.  
 Towage.

Launches on hire for excursions,  
 and for arrival and departure of packets.

Telephone No. 1718

Office Rua Primeiro de Março N. 54

C. LAUFER

Manager

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**BUSINESS DONE ON THE RIO STOCK EXCHANGE**  
During the week ended Nov. 11th, 1904

DESCRIPTION	Sales	Highest	Lowest	CLOSING		
				This week	Last	Date of last
<b>GOVERNMENT SECURITIES</b>						
Apollices Genes 5 1/2%						
Currency	365	1:000\$	997\$	1:000\$	998\$	Nov. 4
Do do Fractions	12:700\$	985\$	986\$	985\$	985\$	" 4
Internal Loan 1895, 5 1/2%						
Currency, bearer	56	991\$	994\$	987\$	985\$	" 4
Do do order	33	1:000\$	994\$	998\$	998\$	" 4
Internal Loan 1897, 6 1/2%						
Currency, bearer	57	1:040\$	1:040\$	1:040\$	1:020\$	Oct. 26
Do do order	44	1:030\$	1:029\$	1:030\$	1:025\$	" 28
Do 1903 5 1/2%	1	981\$	981\$	981\$	982\$	" 28
3 1/2% Bonds bearer	143	930\$	926\$	930\$	924\$	Nov. 4
Do do Fractions	56:100\$	927\$	924\$	927\$	924\$	" 4
Rio de Janeiro Municipal Loan, bearer	206	186\$	185\$	185\$	185\$	" 4
Do 1904 Internal Gold (£ 20)	330	298\$	292\$	295\$	295\$	" 3
State of Rio de Janeiro 6 1/2%	16	400\$	400\$	400\$	398\$	" 3
Do 4 1/2%	1,714	57\$	55\$	57\$	56\$	" 3
State of Minas, bearer	40	760\$	760\$	760\$	775\$	" 4
Do order	70	750\$	755\$	750\$	750\$	" 4
<b>BANKS</b>						
Republica	917	36\$	36\$	36\$	36\$	Nov. 4
Commercial	3	115\$	115\$	115\$	115\$	" 3
Commercio	50	174\$	174\$	174\$	174\$	" 3
Hypothecario	100	15\$	15\$	15\$	15\$	Oct. 3
<b>RAILWAYS &amp; TRAMWAYS</b>						
S. Christovão Tr'y	346	151\$	149\$	151\$	150\$	Nov. 3
Sapucahy Tr'y	150	2347\$	2347\$	2347\$	2347\$	" 3
Jardim Botânico Tr'y	30	202\$	202\$	202\$	202\$	" 3
Victoria and Minas	259	10\$	9\$	10\$	8\$	Oct. 25
<b>INSURANCE</b>						
General	450	34\$	33\$	34\$	33\$	Oct. 19
<b>COTTON MILLS</b>						
Progresso Industrial	10	268\$	268\$	268\$	265\$	Oct. 26
Corcovado	42	200\$	200\$	200\$	200\$	" 19
S. Pedro de Alcantara	177	180\$	180\$	180\$	—	"
<b>MISCELLANEOUS</b>						
Docas de Santos	32	320\$	320\$	320\$	320\$	Oct. 31
Sal e Navegação	100	24\$	24\$	24\$	26\$	" 29
Centros Pastorais	316	20\$	20\$	20\$	—	"
<b>DEBENTURES</b>						
Carris Urbanos (200\$)	110	201\$	201\$	201\$	201\$	Nov. 4
Jardim Bot. Tr'y 7 1/2%	88	212\$	208\$	212\$	196\$	Oct. 25
Loterias Nacionais	22	200\$	197\$	197\$	—	"
Brazeira Indust. (Factory)	28	200\$	200\$	200\$	200\$	Nov. 4

The total business done on the Rio de Janeiro Stock Exchange amounted to 1,369,229\$000 distributed as follows:—

Government securities	1,134,436\$000
Bank shares	43,327\$000
Railway & Tramway shares	64,022\$000
Insurance shares	15,075\$000
Cotton Mills	42,940\$000
Miscellaneous	18,960\$000
Debentures	50,469\$000
<b>Total, week ending Nov. 11th, 1904.</b>	<b>1,369,229\$000</b>
" " " " 4th, 1904.	1,685,617\$000
" " " " 13th, 1903.	1,829,264\$000

**THE BRAZILIAN REVIEW**

November, 12th, 1904.

Ninety days bank rate on London opened on Monday at 12 1/2 d. and 12 17/32 and closed this evening at 12 15/32 d. with private paper quoted at 12 1/2 to 12 17/32 d.

The tendency of rates during the early part of the week to go up under the pressure of heavy coffee business was somewhat counteracted by the rumours of local disturbances that in some circles are being made the most of. Coffee, however, is as active as ever and rubber from now onward will supplement the supply of bills very largely, whilst money is scarcer than ever. Up to the close of September, Rubber and Coffee had already given 18,094,513\$ or about £ 900,000 more than last year, although in both cases the quantity was smaller than last year's. Prices for both staples continue high and although in December of last year coffee prices rose higher than they stand at present, the fourth quarter may this year be expected to show an even larger increase in the value of exports than the third. The Sorocabana business is dragging and it will yet be some time before any decision can be come to, but sooner or later it must be sold and drawn for. Unless some serious political complications should result from the present agitation, we see no reason why rates should not be maintained and perhaps improve slightly until the close of the year, when the usual additional demand for remittances of dividends etc. will make itself felt. For 1904, there is every prospect of exports yielding £38,000,000 whilst imports will not exceed £ 25,000,000 at most. If the balance of trade were the only factor of exchange, as some pretend, it should have been booming long ago.

**"Superaris"** Brazil is noted for its fine drinking waters. **"Superaris"** will make Brazil FAMOUS.

**Balance Sheets**

**PORTO ALEGRE**  
**Brazilianische Bank für Deutschland**  
BALANCE SHEET OF THE BRANCH AT PORTO ALEGRE, OCTOBER 31ST, 1904

<b>Assets</b>	
Accounts current guaranteed	542:568\$370
Bills receivable	812:057\$570
Bills discounted	1,047:689\$428
Bills pledged	49:338\$950
Securities pledged	636:017\$600
Correspondents at home and abroad	2,399:241\$907
Cash: In current money	676:959\$836
	<b>6,217:906\$371</b>
<b>Liabilities</b>	
Accounts current	394:497\$330
Deposits fixed	320:431\$380
Securities pledged and in deposit and securities receivable for a/c of sundry parties	1,551:498\$630
Accounts with Head-Office, branches and correspondents	3,876:911\$050
Sundry accounts	74:657\$981
	<b>6,217:906\$371</b>

E. & O. E.—Matthiesen—Rupp, Directors.  
**SÃO PAULO**  
**Banco Commerciale Italiano di S. Paulo**  
Established in 1900

<b>JOINT STOCK CO.</b>	
Paid up Capital	2,000:000\$000
Reserve Fund	250:000\$000
	<b>BALANCE SHEET ON 31ST OCTOBER 1904</b>
<b>Assets</b>	
Bills receivable	2,425:594\$140
Loans on securities	737:812\$170
Correspondents	40:634\$640
Accounts Current—Abroad	1,829:677\$960
Deposits, Securities etc.	1,039:940\$930
Sundry accounts	248:993\$190
Cash on hand and at the Banks	1,428:117\$140
	<b>7,750:680\$200</b>
<b>Liabilities</b>	
Capital account	2,000:000\$000
Reserve Fund	250:000\$000
Deposits fixed	285:117\$650
Accounts current and correspondents	1,685:225\$850
Abroad	1,744:958\$170
Securities deposited	1,039:940\$930
Sundry accounts	746:437\$600
	<b>7,750:680\$200</b>

E. & O. E.—S. Paulo, 4 November, 1904.—For the Board, Cav. G. Puglisi.

**The British Bank of South America, Limited**

Capital subscribed £ 1,000,000  
Ditto realized £ 500,000  
Reserve Fund £ 325,000  
**BALANCE SHEET OF THE S. PAULO BRANCH**  
OCTOBER 31ST, 1904

<b>Assets</b>	
Bills discounted	1,268:864\$110
Bills receivable	656:489\$740
Loans, accounts pledged etc.	3,478:442\$740
Accounts with Head Office and branches	916:421\$200
Securities pledged	7,033:159\$960
Sundry accounts	50:383\$310
Cash: on hand	2,323:640\$900
	<b>15,967:628\$960</b>
<b>Liabilities</b>	
Bills payable	3:092\$480
General Accounts current	3,148:294\$040
Accounts current with notice	161:044\$000
Deposits fixed	132:174\$390
Accounts with Head Office and branches	4,621:439\$930
Securities pledged	5,950:374\$870
Bills and Securities in deposit	1,082:315\$090
Sundry Accounts	868:374\$260
	<b>15,967:628\$960</b>

E. & O. E.—São Paulo, November 7th, 1904.—For The British Bank of South America, Limited (Signed), Frank Dodd, Manager.—H. S. Kirkman Accountant.

**Banco do Commercio e Industria de S. Paulo**  
BALANCE SHEET ON OCTOBER 31ST, 1904  
INCLUDING THE TRANSACTIONS OF THE SANTOS AND CAMPINAS BRANCHES

<b>Assets</b>	
Bills discounted	16,849:065\$814
Bills to collect for own a/c	31:578\$080
Bills receivable for a/c of sundry parties	1,598:245\$610
	<b>18,478:889\$504</b>
<b>Accounts Current:</b>	
Debit, balances of Loan and advances	16,207:295\$616
Guarantees and securities in deposit: As commercial security for above loans and advances	19,839:836\$530
Securities in deposit for a/c of sundry parties	4,856:325\$000
Directors' guarantee	100:000\$000
	<b>24,790:161\$530</b>

**Securities in liquidation:**

Balance of this a/c	105:241\$000
Values & funds belonging to the bank:	
Properties of the bank	290:579\$330
Apollices genes	6:700\$000
Shares of the Paulista Railway Co.	2,474:403\$420
Shares of the Mogiana Ry Co.	81:396\$300
Bank Shares	6:784\$320
	<b>2,945:699\$710</b>
Sundry accounts:	
Interest general expenses, etc.	345:797\$248
Revenue stamps	6:784\$320
	<b>352:581\$568</b>
Correspondents here and abroad	4,354:569\$270
Balance in current money at the head-office and branches	21,699:115\$919
	<b>89,519:404\$119</b>

**Liabilities**

Capital	10,000:000\$000
Reserve fund	8,500:000\$000
Pension fund of the staff	500:000\$000
Profit and Loss a/c	
Balance of this a/c	398:448\$229
	<b>9,398:448\$229</b>

<b>Creditors:</b>	
Fixed deposits	3,710:011\$590
Accounts current:	
Balance at this head Office and branches	39,059:218\$611
	<b>42,769:230\$201</b>
Guarantees and sundry securities:	
Deposits pledged	19,839:836\$530
Securities belonging to sundry parties and values receivable for a/c of sundry parties	6,454:570\$610
Directors' guarantee	100:000\$000
	<b>26,394:407\$140</b>
Dividends:	
Balance unclaimed	0:864\$600
Sundry accounts:	
Interests, Commission, etc.	947:048\$000
Correspondents here and abroad	408\$040
	<b>89,519:404\$119</b>

E. & O. E.—S. Paulo, November 8th, 1904.—Antonio Prado, Chairman.—J. Queiroz Lacerda, Managing-director.

**BUSINESS DONE ON THE S. PAULO STOCK EXCHANGE**  
During the week ended November 11th, 1904

DESCRIPTION	SALES	HIGHEST	LOWEST
Campos Municipality.....	300	80\$000	79\$500
Santos Municipality (1st issue)...	54	88\$500	88\$500
Do do (2nd ») ..	146	93\$000	92\$000
S. Simon Municipality.....	350	70\$000	70\$000
SHARES			
Banco de S. Paulo.....	240	124\$000	123\$000
Banco Comercio e Industria ..	148	359\$000	358\$000
Banco União de S. Paulo.....	885	34\$000	32\$000
Paulista R'y.....	870	258\$000	254\$000
Mogyana R'y.....	83	265\$000	263\$000
Agua e Esgoto do Rio Preto...	200	89\$000	88\$000
MORTGAGE BONDS			
Banco C. R. de S. Paulo 8 %/o...	1,351	51\$000	49\$000
Do do 6 %/o.....	320	41\$500	40\$500

The business done on the São Paulo Stock Exchange amounted to Rs. 531,856\$000 distributed as follows :

Government Securities.....	66:711\$000
Bank Shares.....	121:903\$000
Railway Shares.....	244:632\$000
Debentures.....	17:700\$000
Mortgage Bonds.....	40:910\$000

531.856\$000

**"SUPERARIS" A GENTLE little hint.**

**Coffee Market**

**COFFEE ENTRIES**

	FOR THE WEEK ENDED			FOR THE CROP TO	
	Nov. 11 1904	Nov. 4 1904	Nov. 13 1903	Nov. 11 1904	Nov. 13 1903
Rio					
By Central R'y.....	24,390	28,097	59,329	670,347	1,764,538
Leopoldina R'y :					
Inland.....	26,600	32,806	16,383	578,361	366,244
Coastwise, discharged..	14,181	1,480	2,947	126,939	134,194
Total.....	65,171	62,383	78,659	1,375,647	2,264,976
Transferred from Rio to Nietheroy.....	1,993	797	1,227	28,666	28,939
Net Entries at Rio.....	63,178	61,586	77,432	1,346,981	2,226,037
Coastwise, in transit...	3,192	—	7,104	50,196	110,171
Nietheroy from Rio & Leopoldina R'y.....	4,174	2,213	5,644	57,405	43,929
Total Rio including Nietheroy & transit.....	70,544	63,799	90,180	1,454,582	2,379,537
SANTOS :	198,832	137,119	167,275	4,912,507	4,469,430
Total Rio & Santos.....	259,376	200,918	257,455	6,367,089	6,848,967

The coast arrivals for the week ended Nov. 11th, were from :—

Caravellas.....	9,102 bags
S. João da Barra.....	6,741 »
Maché.....	1,398 »

Total..... 17,181 bags

The total entries by the different S. Paulo Railways for the Crop to November 11th, 1904 were as follows :—

	Per		Total at S. Paulo	Total at Santos	Remaining at S. Paulo
	Past Jundiahy	Sorocabana and others			
1904/1905 :	4,127,474	781,461	4,908,935	4,912,507	nil
1903/1904 :	3,805,970	632,611	4,438,581	4,469,430	nil

**COFFEE LOADED (EMBARQUES)**

	DURING WEEK ENDED			FOR THE CROP TO	
	1904 Nov. 11	1904 Nov. 4	1903 Nov. 13	1904 Nov. 11	1903 Nov. 13
Rio.....	66,529	69,813	90,854	1,322,335	2,009,846
Nietheroy.....	2,125	2,600	6,257	45,429	40,628
In transit.....	3,192	—	7,104	50,196	110,171
Total Rio including Nietheroy & transit.....	71,846	72,413	104,215	1,417,960	2,160,645
Santos.....	167,929	239,627	155,209	3,694,254	3,775,263
Total Rio & Santos.....	239,075	301,940	259,424	5,052,214	5,935,908

**"Superaris" It's popularity LOOMS up.**

Saturday November 12th 1904.

Joint entries at Rio and Santos for the week ended 11th November were 58,458 bags larger than the previous week's and 1,921 bags more than the corresponding week's last year, of which they represent 100.1%.

The weather has been showery and uncertain but not so wet as before and, as was expected, entries responded at once especially at Santos where they gave 21,557 bags more than the corresponding week last year.

For the crop entries to the 11th November were 481,868 bags less than last year's, of which they represent 92.9% and should they continue at the same rate will give over 9,700,000 for Rio and Santos.

As regards the coming crop opinion seems to favour a somewhat better one for Minas and Rio and a repetition of this year's at Santos, but, as our Santos correspondent says, it is yet early to make forecasts.

Business was active here and at Santos, sales of 257,000 bags having been declared as against 121,000 the previous week and 148,000 last year.

Prices improved very slightly here and abroad, the average for Rio No. 7 being 6\$485 as against 6\$451 the previous week and 4\$868 last year, and at New York, 8.46 for No. 7 spot as against 8.37 and 6.08c. respectively.

In another column we give a translation from *O Café* of a report on the Paulista railway district, which, if correct, is not encouraging.

Shipments (*embarques*) fell off again being 62,265 under the previous week's and 19,749 bags less than the corresponding week's last year.

Stocks fell off slightly and on the 11th inst. showed 49,104 bags less than the previous week and 361,000 bags less than for the corresponding week last year.

The value of the coffee cleared from this port and from Santos since 1st July amounted on the 11th November to £9,702,859, and is £1,457,453 more than for the corresponding period last year, though the quantity shows 821,806 bags less.

At the last moment we were obliged last week to hold over our article on the Visible Supply for further verification of some of the figures, but neglected to withdraw the paragraph at the end of the usual coffee article.

The figures we now present are the result of a most laborious investigation of a particularly intricate matter and we trust will attract the attention of the trade.

The National Society of Agriculture have appointed Srs. Carlos Jordão, Barão de Agua Claras and Gustavo de Araujo Maia to examine and report on the statements relating to the Visible Supply published by Sr. Joaquim Lacerda in a late number of the *Jornal do Commercio*.

Santos, November 12th, 1904.

With higher markets abroad and smaller receipts in Santos our market firmed up and a relatively fair size business was transacted. Even Messrs. Ornstein's cable that the growing Rio crop would yield 5 millions of bags and Santos 9 millions of bags did not influence our markets. Such estimates are taken here for what they are worth and do not have the slightest effect on the *commissarios* willingness or unwillingness to sell. Prospects for the next crop remain unchanged, but it is far too early yet to say anything decisive.

Prices were slightly better, Superiors are worth 6\$000 to 6\$100. Primes 200 réis more and goods 200 to 300 réis less. Regulars quoted 5\$500 to 5\$600, low grades and *escolha* being slack. Peaberry are quiet with prices unchanged. Specialities are neglected.

Shipments were very small for the season. In spite of the small entries our stock shows again an increase, being to day, 1,833,064 bags, of which about 1,100,000 may be in first hands.

Exchange firm at 12 19/32 and *Paula* 600 réis.

Pernambuco, November 3rd, 1904.

Buyers for local consumption at 10\$000 to 10\$500 per 15 kilos, but these prices are not so easy to obtain as they were. For export no sales reported so far.

**SUPERARIS**

Trade mark — The GREEN Star

**PROSPECTS FOR THE FUTURE CROP**

(TRANSLATED FROM O CAFE OF NOV. 6TH, 1904)

About the middle of October one of our friends, a Campinas fazendeiro, made an interesting excursion into some of the coffee districts of the State, traversing the territory of the Paulista as far as Hammond and Ribeirão Preto.

After visiting the municipality of Campinas, where as a general thing we can give assurance that the future crop will be better than the present one, we visited the Paulista zone along the Cuassú and the district of Ribeirão Preto, where we had been told that the general conditions were good and that a large crop was expected.

The region between Campinas and Hammond appeared to us as if it had just yielded a large crop; the coffee trees were in bad condition, and were putting forth new leaves.

From Araraquara to Rincão the trees were not without foliage, but the vegetation lacked vigor. The August and September flowerings have yielded very little fruit, and the October flowering nothing at all.

In Hammond, along the banks of the Guassú, we found some very fine plantations (those of Arthur Furtado, Cornelio Procopio, etc.) the trees being planted in soil of the highest quality and cultivated with the greatest care. The trees are without foliage; the August flowering, was good, but in bunches and irregular. The October flowering, on which many had fixed their hopes, was a great disappointment: some trees have only one or two buds on the ends of the branches.

Crossing the Guassú we reached the wonderful plantation of S. Martinho, which is exceedingly well cultivated and in a flourishing condition. The August flowering has yielded fruit enough for an ordinary crop; but there are probably 400,000 trees which will average about 200 arrobas per thousand.

We believe this to be the only great plantation on the State that can show so large a yield; as it must be remembered that for the past two years the S. Martinho crops have been small. Practically all of the present crop is already exported.

We visited another large fazenda near Ribeirão Preto where most of the trees show little vigor and have many dead branches. We were informed that the August flowering was up to the average, and that the crop may be equal to the present one, if not slightly larger. The October flowering was practically nil. From this plantation to Ribeirão Preto the appearance of the trees is the same: there are many new leaves, but the plants have been weakened. A few fazendas near Sertãozinho showed coffee enough for an ordinary crop.

Another large nucleus of fazendas also promises little, the opinion of the proprietor being that the future crop will be smaller, and that the flowering throughout the whole state was insufficient.

We were told that flowering had been very good in Villa Bonfim, and on visiting this place we noticed that the trees were more vigorous, the coffee of the August flowering being irregularly distributed over the tree. An exception, however, was found in the fazenda of Dr. Leovigildo Uchoa, a plantation recently laid out in the virgin forest, situated in a valley facing the West, where about 200,000 trees show a very large yield. In the other fazendas the crop is not extraordinary.

From Ribeirão Preto to Campinas the plantations are generally in bad condition, with stunted vegetation, and the trees are now beginning to put forth new leaves.

The prolonged droughts and the cutting down of the forests are damaging the coffee fields of the West.

Almost all the coffee of the present crop has already been sent down; what is left for exportation is on the drying grounds or in the mill. The average estimate for the future crop was that it would be 20 per cent. smaller than the present one. The drought of the first week in October and the hot sun injured the small berries. For ten days the sun was unbearably hot.

This excursion covered the last days of September and the first week of October.

**COFFEE SAILED DURING THE MONTH OF OCTOBER 1904**

Per Shippers

NAMES	RIO bags	SANTOS bags	TOTAL bags
Theodor Wille & Co.	118,603	166,280	284,883
Ornstein & Co.	30,092	—	30,092
Eugen Urban	9,907	—	9,907
Gustav Trunks & Co.	15,680	—	15,680
J. W. B. Purchas	850	—	850
Fiato & Co.	7,871	—	7,871
Rich. Hiemer & Co.	9,818	—	9,818
Norton, Megaw & Co. Ltd.	9,801	—	9,801
P. S. Nicolson & Co.	2,960	—	2,960
Ed. Ashworth & Co.	1,284	—	1,284
Hard, Rand & Co.	19,600	46,655	66,255
W. F. Mc Laughlin & Co.	10,300	10,472	20,772
E. Johnston & Co.	13,150	51,285	64,435
C. Dabelow	12,328	—	12,328
J. W. Doane & Co.	2,814	20,100	22,914
John Moore & C.	—	208	208
Karl Kriche	—	20,159	20,159
Hayn & Rosenheim	—	20,965	20,965
Prado, Chaves & Co.	—	110,750	110,750
Nosack & Co.	—	9,996	9,996
Carl Hollwig & Co.	—	112,714	112,714
Naumann, Gepp & Co. Ltd.	—	142,447	142,447
Alves Lima & Co.	—	9,012	9,012
Baldwin & Co.	—	85,760	85,760
Holworthy, Ellis & Co.	—	8,919	8,919
The. Hills Bros Co.	—	2,648	2,648
Salles Toledo & Co.	—	1,000	1,000
W. Botel & Co.	—	29,000	29,000
Filli, Puglisi Carbone & Cia.	—	21,745	21,745
Schmidt & Trost	—	9,984	9,984
A. Trommel & Co.	—	10,481	10,481
Henry Wolfe & Co.	—	7,000	7,000
Zerrenner, Blilow & Co.	—	11,469	11,469
Muller & Co.	—	5,825	5,825
F. S. Hampshire & Co.	—	259	259
Geo W. Ennor	—	9,999	9,999
Sundry	—	27,780	60,854
Total	285,976	906,686	1,192,662

Per Destinations

NAMES	RIO bags	SANTOS bags	TOTAL bags
New York	155,967	304,378	460,345
Hamburg	8,863	305,195	314,058
do opt	3,677	—	3,677
Mosell Bay	2,700	—	2,700
Harlskrona	125	—	125
Istad	125	—	125
Stockholm	504	—	504
Cape-Town	7,760	—	7,760
Bergen	760	—	760
Leixões	88	—	88
Drontheim	125	—	125
Wiborg	1,000	500	1,500
Christiania	750	—	750
Guthenberg	125	—	125
Smyrna	2,250	250	2,500
Constantinople	4,625	250	4,875
London	388	9,999	10,387
Buenos Aires	9,237	5,650	14,887
Montevideo	1,042	—	1,042
Bordeaux	250	1,849	2,099
Port Elizabeth	1,100	—	1,100
Durban	1,900	210	2,110
Algou Bay	1,050	—	1,050
East London	2,495	—	2,495
Gefle	125	—	125
Trieste	13,971	103,842	117,813
Marseilles	720	2,810	3,530
do opt	6,600	4,750	11,260
Bremen	2,125	3,750	5,875
Algers	375	—	375
Philippville	250	—	250
Ottomanople	1,725	—	1,725
Genoa	530	16,816	17,346
do opt	—	7,223	7,223
Palermo	125	—	125
Freibzond	625	250	875
Copenhagen	2,250	—	2,250
New Orleans	26,135	31,031	57,166
Antwerp	16	17,400	17,416
Havre	232	31,906	32,138
Punta Arenas	94	—	94
Valparaiso	16	—	16
Galatz	250	—	250
Braila	125	—	125
Naples	16	634	650
Ineboli	125	—	125
Syra	126	—	126
Kistendije	284	—	284
Salonica	500	500	1,000
Tangier	125	—	125
Rotterdam	—	42,565	42,565
Fiume	—	880	880
Venice	—	4,075	4,075
Alexandria	—	500	500
do opt	—	2,600	2,600
Teneriffe	—	1,000	1,000
Nantes	—	250	250
Rhodes	—	125	125
Scio	—	125	125
Catoni	—	17	17
Alvila	—	125	125
Barcelona	—	4,300	4,300
Málaga	—	1,102	1,102
Cadiz	—	400	400
Santander	—	375	375
Coruña	—	375	375
Gijon	—	125	125
Valencia	—	100	100
Seville	—	100	100
Vigo	—	30	30

Conastwise:

Porto Alegre	2,949	—	2,949
S. Francisco	75	—	75
Rio Grande do Sul	2,001	22	2,023
Pelotas	1,970	1	1,971
Pará	8,223	—	8,223
Ceará	1,945	—	1,945
Paranábuco	5,653	—	5,653
Maranhão	1,357	—	1,357
Parahyba	15	—	15
Manáos	1,560	—	1,560
Macáo	200	—	200
Santarém	40	—	40
Maceló	96	—	96
Courumbá	185	—	185
Mossoró	1,212	—	1,212
Rio de Janeiro	—	106	106
Paranáguá	—	1	1
Total 1904	285,976	906,686	1,192,662
1903	409,019	1,034,976	1,443,995
1902	462,106	1,126,632	1,588,738

Per Shipping Companies

NAMES	RIO bags	SANTOS bags	TOTAL bags
Lamport & Holt Line	76,380	300,957	377,337
Hamburg Amerika Linie	12,921	86,179	99,100
Lloyd Brasileiro	1,794	—	1,794
Companhia de Navegação "Costeira"	5,820	—	5,820
Navegação G. Italiana	2,975	102	3,077
E. N. Grão Pará	7,802	—	7,802
Royal Mail Steam Packet Company	3,172	22,778	25,950
Messageries Maritimes	7,295	3,633	10,928
Itoyal Hungarian S. Navigation "Adria"	7,991	66,892	74,883
Société Générale de Transports Maritimes	11,470	9,569	21,039
Empresa Brasileira de N. "Fretas"	5,920	—	5,920
Companhia Sul e Navegação	1,050	—	1,050
La Veloce	8,591	8,960	17,551
Princesa Line	24,850	59,177	83,927
Companhia Nacional Paranaense	1,940	—	1,940
Hamburg-Südamerikanische D. Gesellsc	6,844	184,528	191,372
Empresa de Navegação "Idalina"	910	—	910
Norddeutscher Lloyd	16	45,476	45,492
Chargeurs Réunis	252	20,696	20,948
Pacific Steam Navigation Company	—	110	110
Rob. M. Sioman	26,600	35,480	62,080
Austrian Lloyd	6,514	41,080	47,594
Ligurie Brazilian	—	5,907	5,907
Société N. "Italia"	—	16,380	16,380
Sundry	67,049	634	67,683
Total 1904	285,976	906,686	1,192,662

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**MANIFESTS OF COFFEE**

During the Week ended November 11th, 1904  
 RIO DE JANEIRO

DATE	NAME OF VESSEL	DESTINATION	SHIPPERS	BAGS	TOTAL
Nov. 5	Bahia	Copenhagen	Ornstein & Co.	1,000	
"	do	do	Theodor Wille & Co.	750	
"	do	do	Gustav Trinks & Co.	500	
"	do	do	Eugen Urban	125	
"	do	Hamburg	P. S. Nicolson & Co.	1,500	
"	do	do	Eugen Urban	511	
"	do	do	Pinto & Co.	250	
"	do	do	Rich. Riemer & Co.	137	
"	do	do	Sundry	102	5,000
" 5	Gena	New Orleans	Theodor Wille & Co.	16,000	
"	do	do	Ornstein & Co.	11,000	
"	do	do	E. Johnston & Co.	9,550	
"	do	do	Hard, Rand & Co.	9,133	
"	do	do	J. W. Doane & Co.	7,500	
"	do	do	Pinto & Co.	3,520	
"	do	do	Norton, Megaw & Co.	1,750	
"	do	do	C. Dabelow	1,500	
"	do	do	Eugen Urban	508	59,447
" 5	Magellan	Punta Arenas	E. Johnston & Co.	8	
"	do	do	F. Ashworth & Co.	106	114
" 6	Planeta	Pernambuco	Sundry	50	
"	do	do	do	75	
"	do	do	Pinto & Co.	280	
"	do	do	do	185	
"	do	do	Sundry	20	
"	do	Pará	do	390	1,000
" 6	Itaituba	Paranáguá	do	10	
"	do	Porto Alegre	do	250	
"	do	do	Pinto & Co.	30	
"	do	Pelotas	Sundry	258	548
" 6	Temple	Pernambuco	Pinto & Co.		600
" 7	Danube	Buenos Aires	Ornstein & Co.	100	
"	do	do	Sundry	150	
"	do	Montevideo	do	215	
"	do	do	Pinto & Co.	200	
"	do	Port Natal	P. S. Nicolson & Co.	1,050	1,945
" 8	Washington	Odessa	Rich. Riemer & Co.	625	
"	do	Constantinople	Gustav Trinks & Co.	125	
"	do	Smyrna	do	250	1,000
" 8	Josephine	Baltimore	Theodor Wille & Co.	10,000	
"	do	do	John Moore & Co.	5,000	
"	do	do	Hard, Rand & Co.	2,500	
"	do	do	Norton, Meg. Co Ltd	2,500	20,000
" 8	Caravellas	Havre	Sundry		100
" 9	Calderon	New York	Theodor Wille & Co.	11,500	
"	do	do	Ornstein & Co.	4,500	
"	do	do	Eugen Urban	2,367	
"	do	do	Hard, Rand & Co.	250	18,557
" 9	Rio Amazonas	Buenos Aires	Sundry		500
" 10	Canning	New Orleans	Theodor Wille & Co.	11,000	
"	do	do	Ornstein & Co.	6,050	
"	do	do	Hard, Rand & Co.	3,350	
"	do	do	Pinto & Co.	2,500	
"	do	do	J. W. Doane & Co.	2,250	
"	do	do	Eugen Urban	1,000	
"	do	do	C. Dabelow	500	
"	do	do	E. Johnston & Co.	350	27,600
" 10	Senior	Pernambuco	Eugen Urban	70	
"	do	do	Ornstein & Co.	500	
"	do	do	Pinto & Co.	200	770
" 11	Prinz Eitel Friedrich	Hamburg	C. Dabelow	46	
"	do	do	Rich. Riemer & Co.	73	
"	do	do	Ornstein & Co.	500	
"	do	do	Gustav Trinks & Co.	125	
"	do	St. Petersburg	Ornstein & Co.	250	
"	do	Christiana	Theodor Wille & Co.	125	
"	do	Loixões	Sundry	194	
"	do	Delagoa Bay	Norton, Meg. Co Ltd	200	
"	do	Capetown	do	700	
"	do	Lourenço Marques	Theodor Wille & Co.	250	
"	do	Algoa Bay	J. W. B. Purchas	900	2,768
				Total	189,664

**SANTOS**

DATE	NAME OF VESSEL	DESTINATION	SHIPPERS	BAGS	TOTAL
Nov. 5	Les Andes	Montevideo	Sundry	61	
"	do	Buenos Aires	do	1,257	
"	do	do	Krische & Co.	22	1,340
" 5	Lewisham	Rosario	Sundry		1,789
" 5	Canning	New Orleans	Carl Hellwig & Co.	22,562	
"	do	do	E. Johnston & Co.	14,000	
"	do	do	J. W. Doane & Co.	9,850	
"	do	do	Baldwin & Co.	8,750	
"	do	do	Hard, Rand & Co.	6,300	
"	do	do	N. Gepp & Co., Ltd.	3,200	
"	do	do	Krische & Co.	3,004	
"	do	do	Theodor Wille & Co.	2,500	
"	do	do	Prado, Chaves & Co.	750	
"	do	do	Holworthy Ellis & Co.	750	
"	do	do	Alves Lima & Co.	250	
"	do	do	Nossack & Co.	250	72,456
" 5	Atheniana	New York	Arbuckle & Co.		20,000
" 7	Tamar	Havre opt	Prado, Chaves & Co.	14,250	
"	do	do	Carl Hellwig & Co.	1,500	
"	do	do	Sundry	3,151	
"	do	London	do	2,750	21,651
" 9	Prinz Eitel Friedrich	Hamburg	Theodor Wille & Co.	5,885	
"	do	do	Carl Hellwig & Co.	4,000	
"	do	do	Prado, Chaves & Co.	1,000	
"	do	do	Filli P. Carbone & Co.	875	
"	do	do	Henry Wolffe & Co.	500	
"	do	do	Muller & Co.	500	12,760
" 9	Thames	Vigo	Sundry		12
" 10	Conway	London	do		2,320
" 10	Las Palmas	Genoa	Carl Hellwig & Co.	500	
"	do	do opt	Sundry	50	
"	do	do	N. Gepp & Co., Ltd.	250	800
" 10	Poitou	Marseilles	Nossack & Co.	250	
"	do	do	Muller & Co.	4	
"	do	do opt	Carl Hellwig & Co.	2,500	
"	do	do	Theodor Wille & Co.	750	
"	do	do	Prado, Chaves & Co.	500	
"	do	do	N. Gepp & Co. Ltd.	250	
"	do	do	Hard, Rand & Co.	250	
"	do	Alexandria	N. Gepp & Co. Ltd.	1,000	
"	do	Algiers	Nossack & Co.	125	5,629
" 11	Riplingham	New Orleans	Carl Hellwig & Co.	7,018	
"	do	do	N. Gepp. & Co. Ltd.	5,850	
"	do	do	E. Johnston & Co.	5,050	
"	do	do	J. W. Doane & Co.	5,000	
"	do	do	Hard, Rand & Co.	4,522	
"	do	do	Theodor Wille & Co.	2,000	
"	do	do	Baldwin & Co.	1,750	
"	do	do	Holworthy Ellis & Co.	700	31,890
				Total	170,647

The coffee sailed during the week ended Nov. 11th, was consigned to the following destinations

	UNITED STATES	EUROPE & MEDITERRANEAN	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio	125,604	7,419	2,918	1,289	700	1,800	139,664	1,989,060
Santos	124,946	49,172	—	3,129	—	—	170,647	3,571,277
Total 1904/1905	249,950	50,585	2,918	4,358	700	1,800	310,311	4,960,337
1903/1904	187,263	146,695	7,442	1,220	500	—	293,000	5,825,500

**VALUE OF COFFEE CLEARED FOR FOREIGN PORTS**  
 Week ended

	Nov. 11		Nov. 4		Crop to Nov. 11	
	Bags	£	Bags	£	Bags	£
Rio	136,746	38,290	239,812	60,468	1,806,244	2,715,996
Santos	170,647	226,673	338,806	501,090	3,668,569	6,986,863
Total 1904/1905	307,393	264,963	628,618	561,558	4,874,813	9,702,859
do 1903/1904	289,648	334,849	367,066	549,452	5,696,619	8,245,406

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**Coal.**—Wilson, Sons & Co., Limited, have depôts at St. Vincent, (Cape Verde), Montevideo, La Plata, and at the chief Brazil ports; and among others, supply coal under contract, at Rio, to:

The Brazilian Government;  
His Britannic Majesty's Government;  
The Transatlantic Steamship Companies;  
The New Zealand Shipping Companies etc.

**Coal.**—Large stocks of the best Cardiff steam Coal always kept in Rio depôt on Conceição Island.

**Tug boats** always ready for service.

**Cargo Lighters.**—ditto.

**Ballast** supplied to ships.

**Establishments:** Wilson, Sons & Co., Limited, London, Cardiff, St Vincent, (Cape Verde), Rio, Bahia, Pernambuco, Santos, São Paulo, Montevideo, Buenos Aires, La Plata, Rosario & Las Palmas.

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**Hamburg-Südamerikanische Dampfschiffahrts-Gesellschaft**

The German Steamer

**SAN NICOLAS**

Captain J. Krüger

Expected from Santos on 17th November will leave on the 18th November for:

**Bahia, Lisbon, Rotterdam and Hamburg**  
at 12 noon

All steamers of this Company are illuminated with electric light and have splendid accommodation for 1st. and 3rd. class passengers.

Free conveyance on board supplied for passengers and luggage.

For freight apply to the Broker.

**Wm. R. Mc Niven**

65, RUA 1ª DE MARÇO,

For passages and further information apply to the agents

**E. Johnston & Co.**

RUA CONSELHEIRO SARAIVA, 19.

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**BRAZIL-ADRIATIC LINE**

of

**The Austrian Lloyd's Steam Navigation Company**

and

**The Royal Hungarian Sea Navigation Company "Adria" Limited**

Three-weekly sailings from Santos and Rio de Janeiro for Trieste and Fiume and, with transhipment, to all Mediterranean, East Asiatic and East African Ports.

**DEPARTURES FROM SANTOS**

ARAD..... 17th November  
MELPOMENE..... 1st December  
NAGY-LAJOS..... 20th "

For freight apply to the Broker

**Wm. R. Mc Niven,**

65, RUA 1ª DE MARÇO.

For passage and further information to the

AGENTS

**Rombauer & Co.**

RUA GENERAL CAMARA, 24.

Rio de Janeiro.

RUA 11 DE JUNHO, 1A.

Santos.

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**SOCIÉTÉ GÉNÉRALE**

**Transports Maritimes à vapeur de Marseilles**

**DEPARTURES OF STEAMERS FOR EUROPE**

LES ANDES..... 22nd November  
ORLEANAIS..... 30th "  
LES ALPES..... 7th December

for

**Marseilles, Barcellona, Genoa, and Naples**

Through fares to Paris 1st class..... f. gold 725  
do do 2nd..... f. 550  
do do 3rd..... f. 199  
Through fares to Paris return 1st class f. 1,149  
do do 2nd... f. 882  
do do 3rd.... f. 364  
Marseilles, Genoa, Naples, 3rd class... f. 130  
Barcellona 3rd class..... f. 155

Agents—**Antunes dos Santos & C.**

Rio de Janeiro — 34 Rua 1ª de Março, 1º andar

S. Paulo.—29 Rua S. Bento

Santos.—1 Praça da Republica

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**NORDDEUTSCHER LLOYD, BREMEN.**

Capital.. 120,000,000 Marks

**NEXT DEPARTURES**

Date	Steamer	Destination
1904 Nov. 18	Halle.....	Bahia, Pernambuco, Madeira, Lisbon, Antwerp and Bremen.
Dec. 2	Wittenberg.	Bahia, Madeira, Lisbon, Rotterdam, Antwerp and Bremen.

**Passengers & Cargo accepted**

Passenger rates 1st-cl. 3rd-cl.  
Rio — Rotterdam, Antwerp, Bremen..... Marks 450 £. 9/-  
— Madeira, Lisbon..... £ 15/- Rts. 120\$  
For further information apply to

**HERN, STOLTZ & Co., Agents**

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Rio de Janeiro  
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**H. A. L. (Hamburg-American Line)**

(South American Service)

Next Departures:—

**PRINZ WALDEMAR...** 6th January

The new fine Imperial Mail Steamer

**PRINZ SIGISMUND**

6,000 tons

expected from Santos on the 8th December, sails on 9th December at noon for:

**Bahia, Lisbon, Boulogne S/M. (Paris), Dover, (London) and Hamburg**

These magnificent and fast steamers, built especially for the Brazilian trade and fitted with the latest improvements offer to first class passengers the highest comfort.

All steamers carry a surgeon and a stewardess.  
Free conveyance on board supplied for passengers and luggage.

The Company issue 1st class tickets to Paris and London. Return ticket for Dover & Boulogne S/M at reduced rate.  
For freight apply to the broker.

**H. Campos,**

No. 2, General Camara, 1st floor  
And for passages and other information to

**Theodor Wille & C.**

41 Rua do General Camara, 43.  
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**R. M. S. P. The Royal Mail Steam Packet Company**

Under contract with the British and Brazilian Governments for carrying the mails.

**TABLE OF DEPARTURES**

Date	Steamer	Destination
Nov. 21	Clyde.....	Santos, Montevideo and Buenos Ayres.
23	Danube....	Bahia, Pernambuco, St. Vincent, Madeira, Lisbon, Vigo, Cherbourg and Southampton.

Special attention is drawn to the following:

Holder of first-class tickets, single or return, may break their voyage at any intermediate ports and proceed by any of the **PACIFIC STEAM NAVIGATION or MESSAGERIES MARITIMES** Comp's Steamers.

For freight, passages, and other information apply,

No. 73, 1º de Março, 1st floor.

**KNIGHT, HARRISON & Co., Agents.**

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### Shipping

#### ARRIVALS AT THE PORT OF RIO DE JANEIRO During the week ended November 12th, 1904

DATE	NAME OF VESSEL	FLAG	RIG	TON-SAGE	FROM
Nov. 6	Danube	British	S. S.	3,313	Southampton
6	Las Palmas	Italian	do	1,222	Genoa
6	Rudi	Brazilian	do	164	Florianopolis
6	Itacuna	do	do	301	Porto Alegre
6	Pernambuco	do	do	1,999	Manaos
7	Desterro	do	do	918	Montevideo
7	Canning	British	do	3,459	Santos
8	Rio Amazonas	Italian	do	2,053	Genoa
8	Washington	do	do	1,911	Buenos Aires
9	Maãos	Brazilian	do	1,999	Manaos
9	Marupy	do	do	301	Caravellas
9	Tamar	British	do	2,065	Santos
9	Sunbeam	Norwegian	Barque	821	Gulport
9	John Gill	Russian	do	928	Rosario
10	Regaleira II	Brazilian	Schooner	155	Cidade do Prado
10	Pinto	S. S.	do	229	S. João da Barra
10	Itaperuna	do	do	713	Porto Alegre
10	Fartaleza	do	do	665	Pelotas
10	Gonçalves Dias	do	do	990	Manaos
10	Prinz E. Friedrich	German	do	2,321	Santos
10	Basuta	British	do	1,839	Glasgow
10	Castanos	do	op	1,220	Cardiff
10	A. J. Hocken	do	do	1,126	Maceio
10	Thames	do	do	3,319	Buenos Aires
11	Conzway	do	do	1,669	Santos
11	Las Palmas	Italian	do	1,222	do
11	Poitou	French	do	1,815	do
11	Glenderson	Argentine	do	1,127	Buenos Aires
11	Melpomene	Austrian	do	1,854	Trieste
11	Recife	Brazilian	do	684	Manaos
11	Canoe	do	do	1,065	Aracaty
11	Santa Cruz	do	do	94	Itape
11	Fidelense	do	do	259	S. João da Barra
12	August	do	do	452	Victoria
12	Garcia	do	do	141	Paranaguá
12	Eva Linch	British	Schooner	447	Bangor

#### SAILINGS FROM THE PORT OF RIO DE JANEIRO During the week ended November 12th, 1904

DATE	NAME OF VESSEL	FLAG	RIG	TON-SAGE	FOR
Nov. 6	Planeta	Brazilian	S. S.	878	Manaos
6	Itatuba	do	do	717	Porto Alegre
6	Temple	do	do	374	Pernambuco
6	Activo II	do	Schooner	33	Cabo Frio
6	N. S. d' Assumpcao II	do	do	33	do
6	Maria Menzell	German	S. S.	1,279	Paranaguá
7	Danube	British	do	3,313	Buenos Aires
7	Roman Prince	do	do	1,221	Rio G. do Sul
7	Ripplingham	do	do	1,649	Santos
7	Las Palmas	Italian	do	1,222	do
7	Garcia	Brazilian	do	141	do
8	Mugui	do	do	462	Victoria
8	Itabira	do	do	707	Porto Alegre
8	Annie	do	do	95	Guape
8	S. João	do	do	33	Cabo Frio
8	Josephine	American	do	870	Baltimore
8	Washington	Italian	S. S.	1,911	Genoa
8	Caravellas	French	do	1,797	Santos
9	Calderon	Belgian	do	2,649	New York
9	Rio Amazonas	Italian	do	2,053	River Plate
9	Iris	Brazilian	do	899	Pernambuco
9	Acology	do	do	529	do
9	Victoria	do	do	431	Porto Alegre
9	Edvige	do	do	69	Pernambuco
9	Freedor	do	do	18	Maceio
9	Vetori	Norwegian	Ship	1,547	Port Adelaide
10	Thames	British	S. S.	3,319	Buenos Aires
10	Acon	do	do	1,650	Middlesbourg
10	Canning	do	do	3,459	New Orleans
10	Senior	do	do	597	Pernambuco
10	Sabid	do	do	1,765	Rosario
10	Itacuna	Brazilian	do	301	Porto Alegre
10	Rudi	do	do	164	Paranaguá
10	Cavangoia	do	do	258	S. João da Barra
11	Prinz E. Friedrich	German	do	2,321	Hamburg
11	Eskside	British	do	1,833	Philadelphia
11	Carham	do	do	1,626	Buenos Aires
12	Darwin	do	do	1,797	do
12	Las Palmas	Italian	do	1,222	Genoa
12	Itaperuna	Brazilian	do	717	Porto Alegre
12	Tigre	do	Schooner	250	Itajhy
12	Aurora	do	do	33	Cabo Frio
12	Amelia Clara	do	do	41	do

#### ARRIVALS AT THE PORT OF SANTOS During the week ended November 11th, 1904

DATE	NAME OF VESSEL	FLAG	RIG	TON-SAGE	FROM
Nov. 5	Desterro	Brazilian	S. S.	576	Montevideo
5	Poitou	French	do	1,345	Marselles
6	Amiral Duperré	do	do	9,001	Havre
7	Tintoretto	British	do	2,643	Glasgow
7	Virgil	do	do	2,141	Newcastle
7	Memnon	do	do	2,040	Rangoon
7	Washington	Italian	do	1,911	Buenos Aires
8	Las Palmas	do	do	1,222	Genoa
8	Paranaguá	French	do	1,206	Buenos Aires
8	Ripplingham	British	do	1,649	Rio de Janeiro
8	Baltzer	Russian	Schooner	800	Hamburg
8	Baden	German	Barque	1,035	Rangoon
8	Roman Prince	British	S. S.	1,221	New York
9	Thames	do	do	3,318	Buenos Aires
9	Caravellas	French	do	1,796	Havre
9	Itabira	Brazilian	do	368	Pernambuco
10	Victoria	do	do	865	Rio de Janeiro
10	Rio Amazonas	Italian	do	2,053	Genoa
11	Garcia	Brazilian	do	192	Rio de Janeiro
11	Guasca	do	do	277	Paranaguá

#### SAILINGS FROM THE PORT OF SANTOS During the week ended November 11th, 1904

DATE	NAME OF VESSEL	FLAG	RIG	TON-SAGE	FOR
Nov. 5	Les Andes	French	S. S.	2,210	Buenos Aires
5	Atheniana	British	do	1,369	New York
5	Guasca	Brazilian	do	277	Paranaguá
5	Desterro	do	do	576	Rio de Janeiro
6	Canning	British	do	3,459	New Orleans
7	Tamar	do	do	2,064	Havre
7	Washington	Italian	do	1,911	Genoa
9	Amiral Duperré	French	do	3,012	Buenos Aires
9	Prinz E. Friedrich	German	do	2,321	Hamburg
9	Berghais	Norwegian	do	2,344	Buenos Aires
9	Thames	British	do	3,218	Southampton
10	Conzway	do	do	1,669	London
10	Las Palmas	French	do	1,222	Marselles
10	Victoria	Italian	do	1,911	Genoa
11	Itabira	Brazilian	do	368	Porto Alegre
11	Guasca	do	do	277	Rio de Janeiro
11	Ripplingham	British	do	1,649	New Orleans
11	Rio Amazonas	Italian	do	2,053	Buenos Aires

#### FOREIGN VESSELS AFLOAT IN RIO DE JANEIRO HARBOUR on November 12th, 1904.

Steamers		Sailing Vessels	
Banana	Tons 1,801	Fiery Cross	Tons 1,399
Queen Olga	" 2,146	J. D. Everett	" 1,975
Antisana	" 2,317	W. W. McLaughlan	" 457
Brooklyn	" 1,987	Rownoke	" 3,347
Sangstad	" 1,915	Candace	" 364
Laurit	" 1,804	Scottish Chief	" 687
Carisbrook	" 1,350	Monraiva	" 1,449
Bartholey	" 2,433	Rhinc	" 838
Nadia	" 1,552	Martha	" 367
Tamar	" 2,065	Senior	" 1,038
Basuta	" 1,839	Maranda	" 1,382
Castanos	" 1,920	Rof	" 213
A. J. Hocken	" 1,126	Kings County	" 2,061
Conzway	" 1,669	Dorane	" 299
Poitou	" 1,815	Noach VI	" 1,260
Glenderson	" 1,127	Sunbeam	" 834
Melpomene	" 1,854	John Gill	" 928
		Evan Linch	" 447
Total	Tons 30,720	Total	Tons 19,345

#### IN SANTOS HARBOUR on November 11th, 1904.

Steamers		Sailing Vessels	
Arad	Tons 2,431	Psects	Tons 294
Sau Nicolas	" 3,047	Bulzeer	" 300
Edale	" 2,000	Buden	" 1,035
Halle	" 2,501		
Barsley	" 2,184		
Tintoretto	" 2,643		
Virgil	" 2,141		
Memnon	" 2,040		
Paranaguá	" 1,206		
Roman Prince	" 1,221		
Caravellas	" 1,796		
Total	Tons 23,276	Total	Tons 1,620

#### THE FREIGHT MARKETS

**British.** Fairplay of 20th October reports a slight reaction in the freight market, rates having fallen a little. Coal rates however seem to be maintained from South Wales to Rio at 8s. 9d.

**Argentine.** Rates to the Brazilian ports continue unaltered. The current quotations from B. A. being 22s/ to Porto Alegre, 19/ to Rio Grande, 8s/ to Rio and 12/ to all other lower ports, while 1s/ to 2s/ extra is claimed from up-river ports. The Times of Argentina, October, 31.

**Local Market.**—The forward engagements for the week were as follow:—

Per S. S. Tintoretto	for New York	20,000 bags of coffee
" " Virgil	" do	25,000 " " "
" " Prinz Eitel Friedrich	" Hamburg	1,935 " " "
" " Tamar	" Havre	357 " " "
" " Danube	" Buenos Aires	100 " " "
" " do	" Montevideo	275 " " "
" " Prinz Eitel Friedrich	" Hamburg	3,000 " " bran

### EMPRESA BRAZILEIRA DE NAVEGAÇÃO FREITAS

RUA GENERAL CAMARA No. 2

Regular service between Rio de Janeiro and Manaos, calling at Northern ports

The steamer

## GOÑÇALVES DIAS

sails for BAHIA, MACEIO, PERNAMBUCO, CEARÁ, MARANHÃO, PARÁ and MANAOS, on 17th November 1904.

For passages and other information apply to the Empresa  
**2, RUA GENERAL CAMARA, 2**

CURRENT COFFEE FREIGHT RATES FOR THE WEEK ENDED NOVEMBER 12th, 1904

Table with columns for destination (e.g., Amsterdam, Aden, Antwerp), coffee type (Rio, Santos), and freight rates in various currencies and units.

Table listing specific shipping routes and rates, including Suez via Trieste, Salonica, Sullina, Talcahuano, Taragonne, Trebizond, Tunis, Valencia, Valparaiso, Varna, Venice via Genoa or Marseilles, Vigo, Yokohama via Trieste, and Zanzibar via Trieste.

\* Royal Mail Steamers in combination with Houlder Bros... \*\* Conference rates via Marseilles, Genoa or Trieste.

Market Reports

Peruambuco, November 3rd, 1904.

Sugar. Entries although progressively increasing are not yet by any means large and, so far, considerably under those prevailing at same time last year. Total receipts in October were 45,679 bags compared with 167,789 bags same time last year.

Cleanances during past fortnight have been 1,986 bags to Rio and 4,813 bags to Santos.

To days quotations are as under:-

Table listing sugar grades and prices: Usinas (58200 to 58700), Crystal white (48300 to 48400), Yellow (38300 to 38300), Whites 3a. boa (48200 to 48600), 3a. regular (48000), Somenos (38000), Clayed (None), Bruto secco (28800 to 38000), melado (28400 to 28500).

Cotton. Entries for October although a good deal below those of same month last year, have nevertheless been larger than many people expected and aggregate 12,529 bags against 17,215 bags last year.

Market dull at 98000 to 98500, receipts of home grown quite able now to supply market as no enquiry exists from Northern outports.

Maize. Market has continued weak and prices are down to 90 to 95 reis per kilo and may go lower still shortly, should supplies become larger, as is anticipated, as in many places people have been holding back this article to avail of the lower railway tariff, which came into force on 1st instant.

Beans. 168000 to 178000 is best obtainable at present for home grown article, in absence of any export demand and, of course, São Paulo kinds are almost unsaleable here now.

Freights. There is still no enquiry for tonnage and Liverpool liners have still to seek employment elsewhere and s. s. Orion sailed two days ago for New Orleans to load cotton.

Railway News and Enterprise

SUNDRY TRAFFIC RETURNS

Table with columns for Railway, Mileage, Latest Earnings Reported (1904, 1903), and Aggregate to date (1904, 1903). Includes entries for Braz. Gt. South., Leopoldina, S. Braz. Rio Granda, etc.

a Earnings reported in pounds, b in mil reis.



# The Brazilian Review

SUPPLEMENT

VOL. VII

RIO DE JANEIRO, TUESDAY, NOVEMBER 15TH, 1904

No. 46

## REPORT

of the Commission appointed by the Government of S. Paulo, and by the Board of Directors of the Paulista and Mogyana Companies to study the general situation of these companies and to establish the bases for their fusion with a view to the acquisition of the Sorocabana Railway

S. Paulo, 19th October, 1904.

To H. E. Dr. Jorge Tibiriçá, President of the State of S. Paulo,

The undersigned, members of the commission nominated at the meeting of the Directors of the Paulista and Mogyana Companies, called in response to the spontaneous invitation of Y. E. at the Palace of the Government, on 20th September last, to investigate the general situation of the said companies and organize the bases for their fusion, as a preliminary to the acquisition of the Sorocabana Railway, now have the honour of placing in your hands the result of their investigations.

The undersigned regret that, in the very few days allotted for the study, collation and printing of matter of such volume, it was impossible to present a more perfect and complete report.

Begging you to accept the assurances of our highest esteem and consideration, *Alfredo Maia*, representative of the Government of S. Paulo; *Antonio Carlos da Silva Telles*, representative of the Mogyana Company; *Alfredo Augusto Pinto*, representative of the Paulista Company.

### I

#### Situation as regards the contracts

##### PAULISTA COMPANY

The Paulista Company system is composed of various lines duly constructed under the conditions of the respective contract as follows:—

**JUNDIAHY TO CAMPINAS RAILWAY.** 1m60 gauge, length 45 kilometers, constructed in virtue of the contract entered into with the Government of São Paulo, on 29th. May 1869.

The line has a zone privilege of 31 kilometers on either side for the term of 90 years, which expires on 29th. May 1959, accordingly 55 years hence. When the revenue exceeds 12% for two consecutive years, the government can claim a reduction of tariffs. The State Government has the right from 1902 to acquire the line on payment of a price equivalent to the average net revenue of the last five years, in public bonds yielding an equivalent revenue.

**CAMPINAS TO RIO CLARO LINE.** Gauge 1m60, extension 89 kilometers, constructed in virtue of the contract made with the State Government on the 12th. May 1873. This line enjoys a zone privilege of 39 kilometers on either side for the term of 90 years, which expires on the 12th May, 1963, 59 years hence. The Government can claim a reduction in the tariff when the net profits exceed 12%. The State Government has powers to acquire the line from 1906 onwards on payment of a price equivalent to the average net revenue of the last five years, in public bonds yielding an equivalent revenue.

**CORDEIRO TO PORTO FERREIRA LINE, AND BRANCH TO SANTA VERIDIANA.** Gauge 1m60, length 127 kilometers, constructed in virtue of the contract entered into with the Government of São Paulo on the first of May, 1875. The main line has the zone privilege of 31 kilometers on either side for 90 years, which expires on the first of May 1965, or 61 years hence. When the revenue exceeds 12%, the Government has the right to claim a reduction of the tariffs. From 1910 onwards, the State Government has powers to take over the lines, the price being regulated by the average net revenue of the last five years, payable in public bonds yielding an equivalent revenue.

**PORTO FERREIRA TO DESCALVADO LINE.** Gauge 1m60, length 18 kilometers, constructed in virtue of the contract entered into with the São Paulo Government on the 25th October, 1880. The line has the zone privilege of 31 kilometers on either side for 90 years, that expires on the 12th May 1963, 59 years hence. The State Government has the right to claim a reduction of the tariffs, when the revenue exceeds 12%. The State Government can take over the line from 1911 onwards, the price being regulated by the average net revenue of the last five years, payable in public bonds yielding an equivalent revenue. Under the contract entered into with the State Government, of the 12th June 1872, all the broad gauge lines, now 279 kilometers in all, were consolidated into a single system proposed, and the company was granted the right to raise tariffs to allow of a minimum dividend of 7% being declared.

In addition to the broad gauge lines already cited, the Paulista Company possesses various other lines, constructed under the terms of their respective contracts, as follows:

**PORTO FERREIRA TO SANTA RITA DO PASSA QUATRO LINE.** Gauge 0m60, length 27 kilometers, constructed in virtue of the contract entered into with the São Paulo Government of the 27th March 1889. It is situated within the privileged zone of the broad gauge section. The Government has powers to acquire the line from 1914 onwards, at a price equivalent to the average revenue of the last five years.

**BELEM DO DESCALVADO TO AURORA STATION.** Gauge 0m60, length 14 kilometers, constructed in virtue of the contract entered into with the São Paulo Government of 15th October 1888. It runs within the privileged zone of the broad gauge section. After 1913, the State is empowered to take over the line at a price equivalent to the average revenue of the last five years.

**RIO CLARO TO ARARAQUARA LINE AND BRANCH FROM THE STATION, VISCONDE DO RIO CLARO TO JAHU.** Gauge 1m, length 271 kilometers, constructed in virtue of the contract entered into with the Federal Government of 4th October 1880. The line enjoys the zone privilege of 30 kilometers on either side, for 50 years, which expires on the 4th October 1930, twenty six years hence. From 1902, the Federal Government has powers to take over the line at a price to be fixed by arbiters on valuation of the works in their actual condition, without reference to their original cost, as also of the net revenue of the line for the five previous years, the price, however, not to exceed a sum that, at the rate of 6%, shall yield a revenue equivalent to that of the previous five years. Tariffs can only be revised in 1904, 1909 and at intervals of five years afterwards. If, on the occasion of a revision of the tariffs it be verified that the net revenue exceeds the maximum of 12% on the capital outlay, the excess will be divided equally, one half being applied to the reduction of the tariffs, and the other in benefit of the railway. In addition to this special favour, this line enjoys the further advantage of being allowed to amortize its cost, by instalments deducted from the general receipts, without being reckoned as revenue for effects of the reduction of the tariffs up to the amount of the capital admitted and fixed by the Government, which, on 30th December 1903, was £1,601,082. This line further enjoys exemption from import duties on all materials requisite for maintenance and working.

**SÃO CARLOS DO PINHAL TO SANTA EUDOXIA.** Gauge 1m., length 63 kilometers: constructed by virtue of an authorization of the State Government under the conditions of the main line contract with the Government of the Union, in 1880.

**ARARAQUARA TO JABOTICABAL.** Gauge 1m., 96 kilometers in length, constructed in virtue of the contract entered into with the State Government of the 10th. January, 1890. The line has the zone privilege of 30 kilometers on either side, limited however on the right side by the river Mogy-Guassú, for the term of 50 years, expiring on the 10th. of January, 1940, or 36 years hence. The State Government can take over the line from 1908, the conditions being the same as for the main line. When the net receipts exceed 12% on the capital, the contract provides that after deducting 20% on the reserve fund shall be divided into two halves one for reduction of the tariffs, and the other for application by the Government to the furtherance of immigration.

**SÃO CARLOS DO PINHAL TO RIBEIRÃO BONITO.** Gauge 1m., length 41 kilometers constructed in virtue of the contract of 17th. July 1890, entered into with the São Paulo Government. The line has the zone privilege of 30 kilometers on either side, for 50 years, expiring on the 17th. July, 1940, or 36 years hence. The State Government can take over the line from 1909 onwards, on same conditions as in the case of the Araraquara to Jaboticabal line. The Paulista Company owns besides the following lines of 1m. gauge, all open to traffic, constructed under contracts entered into with the São Paulo Government under the terms of Law No. 30 of the 30th. June 1892, not enjoying any special favours:

JABOTICABAL TO BEBEDOURO, 53 kilometers, RINÇÃO TO PONTAL, 93 kilometers, & DOUS CORREGOS TO PIRATININGA, 120 kilometers. The last is still in construction, but will be ready and open to traffic before the 31st. December.

**THE MOGYANA COMPANY**

Like the Paulista, the Mogyana Railway system comprises several different lines, each constructed under the conditions of its respective contract, as follows:

**CAMPINAS TO MOGY-MIRIM WITH BRANCH TO AMPARO.** Gauge 1m., length 106 kilometers, constructed in virtue of contract of 19th. July, 1873, entered into with the State Government. The line has the zone privilege of 31 kilometers, on either side for 90 years, expiring on the 19th. July 1963, 59 years hence. From 27th. August 1905, the State Government has the right to take over the line at a price equivalent to the average revenue of the last five years payable in public bonds yielding an equal return that may not be less than 7%. In case revenue exceeds 12% on the capital employed for two consecutive years, the Government shall have the right to claim a reduction of the tariffs.

**MOGY-MIRIM TO CASA BRANCA.** Gauge 1m., length 97 kilometers, and constructed in virtue of the contract entered into with the State Government of the 14th. April 1875. The line has the zone privilege of 31 kilometers on either side for 90 years, which expires on the 14th. April 1965. The State Government can take over the line from 1908 onwards, at a price to be determined as in the preceding contract. For effects of the tariff, revenue is computed as in the preceding contract.

**CASA BRANCA TO RIBEIRÃO PRETO.** Gauge 1m. length 145 kilometers was constructed in virtue of contract of 8th. June 1880, entered into with the State Government. The line has the zone privilege of 31 kilometers on either side for 90 years, which expires in 1970. The State Government can take over the line from 1913 onwards, on the terms of the preceding contract. For tariff effects, revenue is also computed as in the first contract.

**BRANCH FROM MOGY-MIRIM TO ITAPIRA.** Gauge 1m., length 20 kilometers constructed in virtue of contract of 9th. November, 1880, entered into with the Government of São Paulo. The line has the zone privilege of 31 kilometers on either side for 90 years and can be taken over by the Government from 30th. July, 1912, on the terms of the preceding contracts.

On the 1st. March, 1888, contracts were made with the Government of São Paulo for the construction of the branches from Mogy-Guaçu to Espírito Santo do Pinhal and from Amparo to Monte Alegre and to Silveiras, with a privileged zone of 20 kilometers on either side, for 50 years, the first mentioned being of one metre gauge and the others of 0.m.60, they can be taken over by the Government from 1913 onwards, on the same terms as in the previous contracts.

On the 1st. July, 1888, the fusion with the Company of the Branch Line of Rio Pardo was effected, in virtue of which the contract of 3rd. April, 1884 for the construction of the line from Casa Branca to the confines of Minas, Via São José do Rio Pardo e Mococa, was transferred to the Mogyana Company with exclusive rights as regards a zone of 30 kilometers for 60 years, the Government having powers to take over the line from 1913 onwards.

On 4th. February, 1880, contracts were signed for the extension of the branches from Silveiras to Serra Negra and Itapira to Rio Elceterio.

Under the conditions of the State Law No. 30, of 13th. June, 1892, the Mogyana Company contracted the construction of the lines from Santa Rita to Paraiso, from Ribeirão Preto to Serro dosinholo, from Eugenio Gomide to Guaxapé, and from Monte Alegre to Socorro.

The Mogyana Company further possesses various lines constructed in virtue of contracts made with the Federal Government such as the line from Ribeirão Preto to the Rio Grande, with the branch from Cascavel to Popos de Caldas, of 1 metre gauge, with a total length of 270 kilometers, constructed in virtue of the contract entered into in 1883. The line has a privileged zone of 20 kilometers, on either side, for 50 years, and guaranteed interest of 6%, on the maximum capital of 7,000,000\$, which will cease next year. The Government could have taken over the contract since 1898, on payment of the equivalent of the net revenue of the last 5 years. The company must divide with the Government any excess of revenue over 8%, until the sums received as guaranteed interest, are repaid.

**THE RIO GRANDE TO CATALÃO LINE.** Gauge 1m., length 283 kilometers, was constructed in virtue of the contract of 18th. of October 1890, with a privileged zone of 20 kilometers on either side for 60 years, and guaranteed interest for 30 years on the capital of 8,490,000\$. The Government can take over the line from 1920 onward, in the failure to come to an agreement, at a price payable in public bonds, sufficient to yield a revenue equivalent to the average for the last years, which, however, cannot be less than the guaranteed capital.

**II**

**The Technical Situation**

**PAULISTA COMPANY**

On examining the plan of the Paulista Railway there is immediately noticeable a main trunk line advancing towards the Interior, and following more or less a middle course through the vast region known generally as the West of São Paulo.

The direction is perpendicular to the general line of the coast and fairly straight throughout its length of 410 kilometers. It is the shortest possible route to the port of Santos, the great emporium of the import and export trade not only of São Paulo, but also of great part of Minas, Goyaz and Matto Grosso.

From this main line diverge numerous branches, many belonging to this Company, others to other companies, the total development of lines, actually in traffic, belonging to the Paulista Company, amounting to 1,033 kilometres as follows:—

Line of gauge 1m60.....	279 kilometers
» » » 1m.....	714 »
» » » 0m60.....	41 »
Total of line in traffi.....	1034 »

On the lines of 1m60 gauge the minimum curve radius is of 300 metres and the maximum gradient 2%.

In those of 1 metre gauge the minimum curve radius is as low as 128 metres, and the maximum gradient does not exceed 2%.

Finally, in the lines of 0m60 the minimum radius is of 80 metres, and the maximum gradient reaches 3%.

The sleepers are of steel, "Post" system over 92 kilometres of the broad gauge and 65 kilometres of the metre gauge; on the other sections they are of wood.

The wooden sleepers are of following dimensions: in the lines of

1m60	2m80	× 0m24	× 0m17
1m	2m	× 0m50	× 0m14
0m60	1m30	× 0m18	× 0m14

They are laid down at the following distances, from centre to centre:

0m60	in the 1m60 lines
0m70	» » 1m »
0m56	» » 0m60 »

The following are the prices paid for sleepers:

For the broad gauge per dozen.....	48\$ to 52\$
» » metre » » ».....	18\$ to 22\$
» » 0m60 » » ».....	12\$ to 14\$

The rails used are of the Vignolle type. On the broad gauge lines all the material is steel, renewed a few years ago, the weight of the rails being 45 kilos per lineal metre on the section subject to the heavier traffic, that is, from Jundiaby to Rio Claro, and 35, 33 and 32 kilos on the other sections.

On the metre gauge lines, the rails originally used were of steel, weighing 17 kilos. Great part of this material is now substituted by used rails, taken from the broad gauge lines, or by new steel rails of 25 kilos, this being the type employed on the lines recently constructed.

The state of preservation of the rails is, in general, perfect on the broad gauge lines, there being very few deteriorated on the sharpest curves. On the metre gauge lines the material is also in good repair there being only 21 kilometres that will soon require to be renewed. In the 0m60 lines the rails are from 11 to 12 kilos, and are in a good state of preservation.

The length of line ballasted with stone is 160 kilometres being 50 kilometres of 1m60 and 110 kilometres of metre gauge.

The wing walls and piers of the bridges and culverts, are in stone or brick masonry; the superstructures are of steel, excepting, the single wooden bridge over the river Mogy-Guaçu, on the 0m60 gauge line from Porto Ferreira to Santa Rita.

On the lines of 1m60 gauge, the girders are calculated to carry locomotives weighing 20 tons per axle; on the 1 metre gauge for those of 10 tons; and on the 0m60 gauge for those of 8 tons.

All the lines are fenced on both sides throughout, excepting sections which pass through virgin forest or coffee plantations, and in some high cuttings.

For the service of all the lines, there are 96 stations and 18 telegraph offices, of which 29 stations and 8 offices on the metre gauge lines. There is, therefore, on the average one station for every 10 kilometres.

The total area of the goods-sheds at the stations, exclusive of the large sheds for storage owned by the Company at the junction stations of Campinas and Rio Claro, which alone measure 10,386 square metres, is 36,594 square metres, which gives an average area of 355 square metres for each.

Comparing the total area of the goods-sheds with the average number of bags of coffee received during the last quinquennium, it is seen that for each square metre of store room 92 bags of coffee per annum were housed.

The telegraph lines have a total length of 4,374 metres, used rails serving as posts.

For traffic of its lines the Paulista Company possessed on 30th June last, 133 locomotives of the total dead weight of 4,028 tons. With these, in 1903, the 98,061,861 ton-kilometres, useful weight were run calculating the average weight of each passenger as 70 kilos, so that every ton of dead weight of the traction material represented an effective service of 24,345 tons-kilometres.

Of the total number of locomotives only 10 were under repairs, the remaining 123 being in traffic.

On the same date the Company possessed 89 cars accomodating 1,438 first class passengers; 49 with room for 3,171 second-class passengers, and 28 mixed cars with accomodation for 492 first class and 848 second class passengers, giving a total of 116 cars seated for 5,949 passengers.

With this material, 50,730,929 passengers-kilometre which gives for each seat an effective service corresponding to 8,528 passengers-kilometre.

Only 10 of these cars were under repairs, the rest being in good work. There were besides on said date 2,406 goods waggons of a total capacity of 31,011 tons. With this material merchandise was carried 93,728,252 tons-kilometres in 1903, giving for each metric ton an effective service of 3,022 tons-kilometres

transported. Of these waggons, 2,261 were in service, and the rest under repairs.

All the passenger material on the broad gauge lines is provided with Gresham and Cravens automatic brake; that of the metre gauge with the Westinghouse, and that of 0m60 with the simple Eames brake. The goods waggons, on the broad gauge and also on the 0m60 are provided with hand-brakes. On those of the metre gauge 691 have the Westinghouse brake, and with only the connecting tubes 230 waggons of said gauge.

The broad gauge line has a rotunda with space for 15 locomotives; — the metre gauge lines have two with room for 37 locomotives. Besides these, the lines possess 31 different places of shelter for the rolling material, with an area of 17,749 square metres.

For the repairing of all its rolling stock, the Paulista Company has two large workshops; one at Jundiaby for the repairs of the broad gauge material; the other at Rio Claro for the repairs of narrow gauge material. The repairing-shops at Jundiaby are complete, they comprise a large new building, 305 metres long and 65 metres wide, in two divisions; one for repairing cars and waggons, equipped with all the wood working machinery appropriate to this section; in the other are installed the machines and other tools for metal work, as also the necessary plant for repairing locomotives. The force is furnished by a fixed motor of 60 H. P. All the sections are well mounted and are working satisfactorily.

Besides the lines in traffic, the Paulista Company has at present 21 kilometres in construction on the last section of the Agudos branch, from Taperão to Piritininga, which should be ready to end of the current year. The total length of this Company's line will then amount to 1,055 kilometres.

#### MOGYANA COMPANY

The direction of this company's lines is not as uniform as should be the case with great arteries of communication to serve advantageously all the district traversed.

Their general course is, on the contrary, sinuous branching off to one side or the other as local interests may require with the consequence that the more distant points from the coast are only reached by tedious deviation.

Commercially speaking the company loses nothing by this, but on the contrary has gained by the right to extension of its lines on either side being protected from competition by its privilege.

The main line, from Campinas to Araguary, has the remarkable extension of 793 kilometres, of which 510 in São Paulo territory and the remainder in Minas.

The system further comprises the following branches: from Amparo, Itapira, Espírito Santo do Pinhal, Caldas, Mococa, Guaxupé, Sertãozinho, Santa Rita do Paraisa and Serra Negra, with a length of 505 kilometres.

The total extent of lines in traffic amounts to 1,298 kilometres, all of metre gauge, with exception of the branch from Serra Negra, with 41 kilometres of 0m60 gauge.

In the metre gauge lines, the minimum curve radius is 80 metres, with a maximum declivity of 3‰; that in the Campinas to Ribeirão Preto section, does not exceed 2‰.

The sleepers are of wood, and measure 2m x 0m20 x 0m15, their cost being 18\$ to 24\$ per dozen.

The rails are of the Vignolle type, weighing 25 kilos per metre on 319 kilometres of the main line 19,500 kilos on the other metre gauge lines, including those of recent construction, and 12.8 kilos on the branch from Serra Negra.

The 25 kilos rails on the main line were laid down since 1898, in substitution of the original 19.5 kilo rails.

The rails on the branches from Itapira and Espírito Santo do Pinhal, 45 kilometres, and from Sertãozinho e Santa Rita, 21 kilometres, are much deteriorated and require to be substituted.

The extent of line ballasted with stone is 36 kilometres.

The buttresses and piers of the bridges and culverts are in general of stone masonry; the superstructures are for the greater part of metal, there being only 2 covered and 58 open culverts with timber girders.

The lines are fenced in for 983 kilometres.

There are 119 stations, of which 71 on the main line, from Campinas to Araguary, and 48 on the branches; which corresponds to an average of a station for each 11 kilometres. Besides the stations there are 2 telegraph offices.

The total area of the goods-sheds at the stations is 16,187 square metres, or an average of 137 square metres each. On comparing the total storage area with the average number of bags of coffee received during the last quinquennium, it appears that each square metre of storage accommodated 191 bags of coffee per annum, and shows how insufficient storeroom really is considering that about half of the coffee comes down within 3 months.

The telegraph lines extend 4,882 kilometres, old rails being used as posts.

For its traffic service the Mogyana Company has 119 locomotives of a total dead weight of 2,705 tons. This material drew, in 1903, a total of 91,672,322 tons-kilometre of useful weight, taking each passenger at 70 kilos, consequently each ton of dead weight of the traction material made an effective service corresponding to 33,880 tons-kilometres.

Of the locomotives, only 11 were under repairs at the beginning of the current half year.

The Company has in use 138 passenger cars and 1,865 cargo waggons with the total capacity of 13,480 tons.

This material transported, in 1903, 85,363,828 tons-kilome-

tres of merchandize, which shews that each ton of space had to carry, on an average, 6,337 tons-kilometres.

All the locomotives and cars for passenger traffic are provided with Gresham's simple vacuum brakes. Of the cargo waggons only 100, of recent construction, have the same brake, the others being furnished with the ordinary hand brake.—

There is adequate shelter for the rolling stock: at Campinas for 24 locomotives, at Casa Branca for 11, at Ribeirão Preto for 22, at Uberaba for 11, at Araguary for 4, and others at all the terminal stations of the branches.

The Mogyana Company has workshops for the repairs of its rolling stock at Campinas, Ribeirão Preto and Uberaba.—

The workshop at Campinas and its dependencies, which include the Store-house, occupy an area of 72,500 square metres of which 13,474 metres are occupied by the various service buildings.

The work-shops comprize two principal sections: one for repairs on locomotives, and the other for the construction and repairs of cars and waggons.

Two dependencies, common to both, complete these sections the workshops which furnish the motive power for all the machinery, and the foundry which furnishes the iron and brass required.

The locomotive section comprises workshops for the mounting, adjusting, of mechanical, boiler and iron work.

The section for cars and waggons, installed in a building of recent construction, comprises the saw mill and the workshops for cars, pointing and waggons.—

The different workshops are furnished with the various machinery requisite for the satisfactory performance of the work.

The power-generating machine occupies a spacious edifice, in two compartments, in one of which are steam generators and their accessories, consisting of 3 boilers with the capacity of 120 H. P. each, and in the other the machines for transforming, the force into electric energy, whence it is conveyed by under ground cables to the various buildings, and within is distributed by overhead wires.

The workshops at Ribeirão Preto and Uberaba are of secondary importance, each having its various departments installed in the same building.

### III

#### Economic Situation

##### PAULISTA COMPANY

The Paulista Company's system, comprising actually 1,034 kilometres in traffic, which receives in the first section of its trunk at 45 kilometres from its initial station all the current of traffic of the great Mogyana system, extends towards the West of S. Paulo, serving directly the vast zone comprehended between the eastern watersheds of the Mogy-Guassú and the Southern watersheds of the Tietê. The region traversed by the Paulista's lines measures about 50,000 square kilometres of cultivated land of first quality, in full agricultural activity, in general, covered with coffee plantations.

This cultivated area lies, on the average, within 350 kilometres of the sea coast. Further on lies an extensive forest region about 300 kilometres in width between the cultivated area and the boundry line of S. Paulo, Minas and Matto Grosso. The meaning of this is that even within S. Paulo territory and at a distance of a few hundred kilometres from the coast, the Paulista Company traverses a second immense zone which will constitute a natural tributary of its railway system, as extensive and as suitable for agriculture, as that which today furnishes its present traffic.

With regard to future extensions, beyond the frontiers to the State, it is sufficient to look at a map of the country to acknowledge that communication with the State of Matto Grosso, Paraguay and Bolivia can only be conveniently established by lines starting from points on the Paulista Company's system, as was, further, recently demonstrated by an impartial technical authority, the Club of Engineers, Rio de Janeiro.

The actual and future importance of the tributary zone of the Paulista Company's lines having thus been demonstrated, by the simple reference to its superficial area, it is convenient to show the degree of agricultural development reached by the cultivated zone now in full activity. In regard to this it should be remembered that the Paulista Company's lines carried on the average, the large share of 83%, of all the coffee entered at Santos in the last five years, the following being the figures for each crop year:—

Crop year	Coffee delivered by the Paulista in Jundiaby	Coffee entries at Santos
1899-1900	4,701,824 bags.	5,711,732 bags.
1900-1901	6,765,903 »	7,973,148 »
1901-1902	8,781,931 »	10,165,044 »
1902-1903	6,860,980 »	8,349,783 »
1903-1904	5,249,511 »	6,397,441 »

Finally, among the natural wealth of this remarkable zone, one is preeminent by its importance in relation to the future of transportation and to all industries requiring considerable motive power, that is, the hydrographic system.

It is easy to imagine what a great industrial improvement will become the Great West of São Paulo, when with increased population alongside of the great coffee industry, which will always be the chief corner stone of the State's prosperity, and the activity of its inhabitants is also devoted to manufacturing.

No region in the world possesses elements to be compared to the wonderful sources of electric energy and, consequently, of motor power available in the falls of all the great rivers surrounding the quadrilateral served by the Paulista

Company's lines, the following being specially notable; those of S. Bartholomeu, on the river Mogy-Guassú, of Maribondo, of the Indios, of Monte Alto and of the "Onça" on the Rio Grande; of the Urubú-Punga, on the Paraná; and those of the Itapura and Avanhanda, on the Tietê.

In view of such numerous, powerful and inexhaustible sources of hydraulic power, which following modern industrial evolution, will within a few years be converted into so many hydro-electric power-houses, furnishing motive power to the railways and to all mechanical industries now using manual labour, it is not difficult to foresee the great wealth that this new element is destined to create in this zone.

#### MOGYANA COMPANY

This Company's great railway system, consisting of 1,298 kilometres of line in traffic, extends towards the North West of the State of São Paulo, cutting the extensive and luxuriant region between the river Mogy-Guassú and the boundaries between this State and Minas, into which it penetrates at various points and notably by its main line.

The S. Paulo zone, as also that of Minas which lies to the east, is composed generally of lands of the best quality and in full agricultural development, its area being about 50,000 square kilometres.

Crossing the Rio Grande, the main line of the Mogyana traverses the territory usually known as the "Minas triangle," also in great part composed of excellent land for cultivation, which, however, is here still backward. It is a great reserve, which in time will bear fruit, as, too, is the zone nearest to the coast, in proportion as labour and capital in search of new fields of cultivation open up the country.

Beyond the Minas territory the Mogyana Company has its natural objective in the State of Goyaz for which it is the natural outlet. Once the main line reaches Catalão, it will one day naturally branch off; throwing out a branch to Palma, the navigable point of the river Maranhão, which flows longitudinally in a middle course through Goyaz territory, while the other branch will be made to Catalão, the Capital of Goyaz and from there to the Araguayá, which is an extensive river navigable to its confluence with the Maranhão, on the extreme northern boundary between Goyaz and Pará, where the two unite to form the great river Tocantins, a tributary of the Amazon. The extraordinary interest this has for the Mogyana Company in the future is indisputable.

In the meantime, however, until this time arrive, the Mogyana system will transport the production of the rich valleys of the Maranhão and the Araguayá, the zone already served directly by its lines, which alone produces about 40% of all the exports from Santos.

Consequently should the Mogyana Company not transfer its cargo to the Paulista Company's system at Campinas and thus supplement the latter's traffic on the first section of its main line, the production of the zones served by the two great systems might be said to be almost equal, as shown by the following figures giving the crops of each during the last 5 years.

Years	Production of the Paulista zone	Production of the Mogyana zone
1899-1900	2,493,349 bags.	2,208,475 bags.
1900-1901	3,468,660 "	3,297,243 "
1901-1902	4,828,194 "	3,953,737 "
1902-1903	3,624,808 "	3,236,172 "
1903-1904	2,444,273 "	2,805,238 "
Average	3,371,857 "	3,100,173 "

Allowing for delivery of the Mogyana crop, commencing a little earlier than that of the Paulista, it will be seen that the movement of coffee received from the two zones, in the first three months of the present crop, preserves more or less a similar proportion:—

	Paulista zone bags received	Mogyana zone bags received
From July to September, 1904	1,615,775	1,674,969

The extensive zone into which the Mogyana is already spreading and will soon reach only possesses one fall capable of being utilized for power purposes, that of S. Bartholomeu, on the river Mogy-Guassú.

Not that the zone lacks in numerous and abundant water courses such as the Guassú, the Rio Grande, the Maranhão and the Araguayá.

It is that these great rivers, specially the two last, run through the heart of Brazil over level or very slightly mountainous ground which, if it does not show cataracts and falls is on that very account more easily navigable, a circumstance which, certainly, from an economic point of view, is of quite as much importance as a fall.

#### The Financial Position

##### PAULISTA COMPANY

The Company's capital is 75,000,000\$ in 375,000 fully paid shares of 200\$000.

The Company has an external debt, contracted in London in 1892, for the purchase of the Rio Claro line, consisting of an issue of 5% preference bonds, subject to amortisation, commencing from 1897 to 1933, by a cumulative fund of 1% per annum, the lines of the company being hypothecated in guarantee.

The debt amounted originally to £2,750,000, but is now reduced to £2,478,500, bonds to the amount of £262,500 having been paid off between 1897 and 1904, or about 10% of the original amount. The yearly service of the debt, including interest and amortization, costs £165,000.

This amount, at the ruling exchange of 12 pence per milreis corresponds in paper to 3,300,000\$. In order to show that the

net revenue of portion of the Rio Claro line held under federal concession has been sufficient for the service of the debt, it is enough to mention that on the average it amounted during the last quinquennium, that is, from 1899 to 1903, to 3,502,155\$110.

Besides, the cost of the federal section of the Rio Claro line, has been fixed by the Union Government, for all effects of the contract, at £1,601,082, inclusive of the outlay on Capital Account to 31st December 1903. As the line, under its contract is permitted to pay 12% dividend on this capital, equivalent to a net revenue of £192,129, without incurring any obligation to reduce its tariff and as the service of the debt, interest and amortization, only amounts to £165,000 as aforesaid, it is evident, that whether from the financial point of view or that of its contract, this line is in a position to entirely amortize its cost, and afterwards to remain the unencumbered property of the Company; the more so seeing that by express provision of the contract, details of which will be found under that heading, privileges have been secured more than sufficient for that purpose.

The first is that which treats of the maximum dividend, which is not limited to 12%, the respective clause stipulating that the tariffs shall be revised every five years, and, when it is found that the net revenue exceeds 12% on the fixed capital the excess shall be equally divided, one half being applied to reduction of the tariff and the other in benefit of the Company. The other favour is that permitting the sum necessary for amortization of the cost of the line to be deducted from revenue without any corresponding reduction of the tariff.

It is unnecessary to insist on the importance of such dispositions, it is intuitive, especially in view of the fact that the growing revenue enables the company to take full advantage of these really exceptional favours, to which there is nothing equivalent in any other concession in this country.—

If then, this debt represents an important item of the Company's obligations there is also a corresponding value on the other side, with this difference—that while on one side obligations are year by year decreasing, in proportion as the debt is amortized out of revenue, until its complete extinction in 1933, that is, in 29 years, on the other hand the corresponding item on the credit side will constantly become more valuable, by the natural and progressive increase of traffic and will ultimately represent a most valuable asset, yielding, in all probability, a much larger net revenue than at present which, when the debt is once extinguished, can be utilized for increasing dividends or for remunerating beneficiary shares issued to an amount equivalent to the official cost of the line.

To provide for the repayment of the external debt, the Company has already constituted, at the expense of amounts deducted from the revenue, an amortization fund amounting to 5,196,317\$185, the amount already paid off being £262,500, as been already mentioned.

The Paulista has also a reserve fund of 700,000\$000.

Profits in suspense to the amount of 3,621,920\$281 were brought forward from the previous year, and if only this year's actual net profits be distributed that amount will be carried forward to next year. These reserves are not represented by cash, but by the cost of the lines and their accessories, which exceeds by some thousands of contos the paid up share capital and that derived from the 1892 Loan.

This is the most secure and remunerative employment for the disposable funds of the Company, because it not only frees the Company from the necessity of increasing its share capital, as all new constructions will be completed within a couple of months, but permits the distribution of the maximum consecutive dividend, computed on the lines, which is higher than the capital actually issued.

That the property of the company really exceeds the realized capital, derived from shares and from the 1892 loan, is shown by the following figures which do not include items that vary with the movement of each year's revenue and expenditure: The cost of lines built, in construction, and under survey, about 83,500,000\$ in currency and in sterling £2,487,500 more; central office, buildings and furniture, telegraph line from Jundiáhy to S. Paulo, vessels and accessories for the Mogy-Guassú navigation 564,914\$400; stores about 2,300,000\$000; forming a total of 86,364,941\$400 in currency and £ 2,487,500 more in sterling.

The lines under concession from the S. Paulo government, with the respective accessories, including working material, represent, more or less a value of 74,200,600\$000 currency and £ 308,803 in sterling.

We now pass to the consideration of the revenue and expenditure of the Paulista Company in the last two financial years, from which an average may be struck, fairly representative of its financial position, seeing that these are the most recent statistics and consequently reflect the effects of the economical crisis through which we are passing, as well as of the latest reduction of tariffs, and of the alterations of large and small crops in the different producing zones.

Years	Revenue	Expenditure	Surplus
1902	24,972,790\$117	11,303,315\$242	13,669,475\$875
1903	20,101,754 102	9,571,201\$900	10,530,552\$202
Average	22,537,276\$610	10,437,258\$570	12,100,018\$040

Deducting from the average yearly surplus of 12,100,018\$040 the average annual interest on the debt during these two years amounting to 2,617,914\$220, the surplus available for dividends amounts to 3,452,703\$320 and is equivalent to 12 1/2% on the share capital.

In order to properly appreciate this result, it is not enough to consider the respective figures merely; but it is necessary to examine its factors such as, the volume of traffic, freights re-

ceived working expenses and the system of entering them, sources of revenue, the influence of exchange, contract obligations, and finally, the technical equipment of the lines.

Under the heading «Economic situation» we have already given the figures relative to production in the company's zone, from which an idea can be formed of the volume transported. Should production be affected by the crops, or otherwise, a remedy is provided by the following judicious clause inserted, with great foresight, in the contract on the occasion of the revision of the tariff in 1903:

«When the official valuation of coffee at Santos rises to 5\$, per 10 kilos, or over, the Company may, when judged necessary, apply a supplementary tariff without the abatements stipulated in previous clauses.»

The company's tariffs are relatively low and on the whole the lowest in the State.

The following tables show how they compare with those of the Mogyana.

Paulista Tariffs for October 1904

TABLE OF CLASSES	100 kilom.	200 kilom.	300 kilom.	400 kilom.	500 k'ilom.
1 Passengers (1st class) .....	73000	138000	189000	238000	288000
2 " " (2nd class) .....	48000	74000	98000	118000	138000
1 A — per ton .....	678500	1388000	1898000	2388500	2888500
2 " " " .....	753000	1508000	2185000	2708000	3228000
3 A — " " .....	208000	408000	588000	728000	868000
3 " " " .....	27810	56820	80800	100800	118800
3 A — " " .....	248300	488600	708170	878480	1048400
3 B — " " .....	228950	458900	688560	828620	988680
Coffee to Jundiahy—3. ....	228710	378660	468860	608960	688290
" " " — 3 A .....	198310	328510	398830	478150	558470
" " " — 3 B .....	188170	308150	378400	448350	528210
4 — per ton .....	108000	188500	258500	308500	368500
4 A — " " .....	108000	208000	288000	368000	438000
5 — " " .....	148000	288000	408000	508000	608000
6 — " " .....	408500	818000	1178450	1488500	1788150
7 — " " .....	608750	1218500	1768180	2188700	2618220
8 — " " .....	298700	598400	868180	1068200	1278710
9 — " " .....	408500	818000	1178450	1488500	1788150
10—per head—by passenger train.	28160	46920	62210	78700	98190
10—per head—up to 20—by freight train.	18080	28160	38110	48120	48730
10—idem—over 20—idem .....	8080	18900	28700	38380	48000
11—idem—up to 6—by mixed train	85100	168200	238400	298160	348880
11—idem—over 6—by cargo train.	67850	138800	189880	238800	288000
12—per 5 tons .....	318050	628100	898100	1108700	1328300
" " " 10 .....	628100	1248200	1788200	2218400	2648600
" " " 20 .....	608860	1198730	2008460	2498080	2978680
13 — coal, firewood & p. 6 tons.	208930	418960	608750	798600	998450
14 — fodder from the h. 10 tons. p. 5 tons.	174700	348390	458560	608700	678940
15 — for one of 2 wheels .....	178550	358100	508900	688050	788200
16 — " " " 4 .....	268930	528560	768950	1048600	1128810
17—For one .....	168200	328400	468980	628920	698600
16— " " " .....	108,000	216,000	313,800	398,800	464,400

RIO CLARO BRANCH

Coffee to Jundiahy—3 .....	228710	448280	628310	708220	788970
" " " — 3 A .....	198310	378640	528900	698390	648580
" " " — 3 B .....	188170	358480	498850	568180	608780

The working expenses are remarkably moderate, especially considering that great part of the traffic is for short distances; whilst the ratio of expenditure to revenue is less than on any other line in the State, the following figures shew the rate of remuneration of the company's staff.

Departments	Number of Employés	Monthly pay-sheet	Average Monthly Wage
Permanent Way .....	1,517	120,986\$700	95\$680
Traffic .....	1,486	188,060\$820	126\$650
Locomotion .....	1,401	205,696\$280	146\$810
Accountant and Stores .....	102	28,000\$400	274\$510

The majority of the employés are paid per working day, and the average wage is as follows:

On the permanent way .....	3\$900
In the traffic department .....	5\$273
In the locomotion department .....	6\$120
And in the accountant's and stores departments .....	11\$440

Another element affecting the financial result is the system of entering expenditure. Some companies having closed their capital account on the completion of the line, include in working expenses all subsequent outlay on the lines in traffic, not only those for ordinary repair of the permanent way, rolling stock and other material, but also extraordinary expenditure, for increased transport material, new buildings and such like. The S. Paulo Railway, for example, followed this system previous to the contract of 1855. Others adopt different methods and charge as working expenses ordinary expenditure only, charging to capital account all extraordinary expenditure, construction and new material; amongst above are to be classed the companies herein treated of. As regards the Paulista, it must be remembered that for the last two financial years the sum expended on the lines in traffic, that has been charged to Capital account, as increased cost of the lines, amounted to 2,193,766\$966.

Had this expenditure been charged to working expenses in 1902-1903, the average surplus for these financial years would have been reduced to 8,355,820\$337, and the dividend in relation to the actual capital would have been reduced to 11%.

From the beginning of the present year, the Paulista Company has charged to working expenses almost all extraordinary outlay, now much reduced owing to the thorough maintenance of all its lines.

In judging of the results, the sources of revenue must be taken into account; whether the profits to be divided are of a permanent or revertible character. In the first category are

those derived from traffic, and in the second are the revenues from subventions, guaranteed interest or similar favours. The Paulista Company's entire revenue is derived from traffic, and it enjoys none of the above mentioned favours.

Where inconvertible paper is the circulating medium, its fluctuating value has also an important bearing on results, and the rate of exchange becomes of the greatest importance to undertakings whose capital, like the Paulista's, is principally in sterling. In view of the figures relating to the two financial years under consideration, it is natural to enquire what the result would have been had exchange not been maintained at more or less 12 pence as has been actually the case. The financial situation of the Paulista Company as regards exchange is not only secure and advantageous, but better than that of any of the other great railways, as can easily be shown. Should exchange fall, thereby increasing working expenses and, in a still greater degree, the burden of the external debt, the Company has compensating advantages, such as are enjoyed by no other line, seeing that, on the occasion of the last revision of the tariff, the sliding rate of 40% additional applicable to coffee up to 12 d. exchange was reduced to 15% additional, applicable up to 17 d., the following prudent restrictions were established:—

«Should exchange fall to 10 pence, or under, freights shall be proportionately raised in accordance with the following movable tariff: 20% additional at exchange of 10 d.; 25% additional at exchange of 9 d.; 30% at 8d., 35% at 7d, and, finally 40% maximum permitted by the contract should exchange fall to 6 pence. There need be no apprehension of popular discontent owing to exaggeration of rates under above clause, because such an increase as would be felt could only take effect if exchange fell heavily, the maximum of 40% being incurred only with exchange at 6 pence or under.

Such a rate of exchange would be most unfavourable to the company, raising the service of its foreign debt to over 6,000 contos. But even in the improbable event of exchange again falling to 6 pence, an average increase in freights of 100 réis per arroba or 400 réis per bag would furnish all the resources necessary for the service of the debt. Coffee could perfectly support the increase, and there could be no crisis in the article, as, at 6 pence exchange, the price should not be lower than 16\$ per arroba or 64\$ per bag, on the basis of present Havre quotations of 45 francs. This price could only not be maintained if the crops were excessive, but in that case no increase of tariffs would be necessary, as the increase in traffic would compensate for the loss by exchange.

While, therefore, the Paulista Company is so well protected from loss from a fall in exchange its position would, in the event of a rise, be greatly improved, owing to the saving thus effected on working expenses and the service of its debt.

Of course the sliding rates would be reduced if exchange rose, but as this would be made up for by the decrease in working expenses, it is clear that the gain from the saving on the service of the debt would be considerable, a feature restricted to undertakings with capital principally in sterling.

We shall now consider how the revenue is affected by the clause in the contract which imposes a reduction of the tariffs when the surplus revenue exceeds a certain percentage on the capital employed on the lines. In nearly all the contracts it is stipulated that the reductions shall take effect whenever the net revenue exceeds 12% for two consecutive years. The only exception is the Rio Claro, its contract stipulating that the tariffs shall be revised every five years, and should the net revenue, on such occasions, be found to exceed 12%, one half of the excess shall be applied to the reduction of the tariffs, and the other half in benefit of the company. In accordance with this provision, a revision should have taken place this year, when a reduction of the tariff would have been obligatory, had the average net revenue for the five years, — 1899 to 1903, — exceeded 12%. Such, however, did not occur, as the said revenue represented only about 10% on the official capital appraised by the Government. The next revision should take place in 1909.

The net revenue derived from the lines under State Concessions in 1902-1903 was, respectively, 9,887,420\$958 and 7,514,061\$046; and, as their capital cost may now be estimated at about 80,000,000\$, it will be seen that any probability of a reduction of tariffs, and consequent decrease of revenue, is a long way off.

There remains, finally, to consider the financial result in connection with the technical equipment of the line, as to which it may be affirmed that the various sections are equipped in proportion to their respective traffic, those of greater movement having a correspondingly greater carrying capacity. Owing to this, as the traffic develops the proportion of increase in revenue will much exceed that of the increase in working expenses, with great advantage to net revenue, as will be readily appreciated from the following practical details of the actual working.

Whilst on the furthest section of the Rio Claro line, the trains of the Paulista Company, as also of other national metre-gauge lines are made up of, at most, 20 waggons carrying less than 200 tons of cargo on the trunk line, i. e. on the section of heaviest traffic, each goods train consists of 40 waggons carrying not less than 400 tons of cargo, which means that each train on the first section of the Paulista line, from Campinas to Jundiahy, can do the work of at least two such trains as those, for example, run by the Mogyana to Campinas. The resultant economic and financial advantages evidently must favour the line of greatest carrying capacity.

The giant crop of 1901 afforded a good example of what may be expected in the future. On that occasion with a gross

revenue of 27,293,917\$132, the surplus reached the extraordinary figure of 17,396,831\$199, the ratio of expenses to receipts being only 36%, the lowest ever registered by a Brazilian railway.

Such results, considered as phenomenal in 1901, will, in the near future, become normal, in view of the growing wealth of the State of S. Paulo and of the vast region for which it will yet be the outlet.

**MOGYANA COMPANY**

The capital is 70,000,000\$000 consisting of 350,000 paid-up shares of 200\$000. It enjoys a guarantee of 6% interest from the Federal Government, for 30 years from 1890, on 8,490,000\$000 employed on the construction of the line from Jaguara to Araguay. There is also a guarantee on the capital employed on the Rio Grande line and the Caldas branch, but it expires this year as regards the currency moiety and next year as regards that in sterling.

The Company has an external debt, represented by 5% debentures issued in London, as security for which, all its lines, present and future, are mortgaged. This debt should be extinguished by amortization in 1912. The original amount was £ 483,700, but is now reduced to £ 295,500. The yearly service slightly exceeds £ 30,000.

The reserve fund amounts to 4,036,340\$581. Profits to the amount of 3,589,841\$182 were brought forward from last year and, if only the surplus earned during the present financial year alone be divided, the same amount will be carried forward. The reserves are represented by public bonds, cash in hand and at banks and in works.

The cost of the lines in traffic, and of the last section of the Santa Rita branch, which will be completed this year, may be estimated at, approximately, 79,000,000\$000. The lines under concession from the S. Paulo Government, represent approximately 59,500,000\$000, and those under concession from the Government of the União about 19,500,000\$000.

The financial movement of the Company in the two last financial years was as follows:

Financial year	Revenue	Expenditure	Surplus
1902	17,619:976\$570	9,290:135\$641	8,369:840\$929
1903	16,528:007\$925	9,076:911\$966	7,451:096\$459
Average	17,088:992\$194	9,183:523\$503	7,905:468\$91

It will be seen that the average yearly surplus, amounting to 7,905:468\$91, after deducting the average interest on the debt, approximately 30,000\$000, left available surplus for division of 7,875:468\$91, corresponding to 11.2% on the share capital. If the guaranteed interest received from the Union Government be included, the total receipts will then be equal to a little over 12%.

Considering this result from the different points of view which the circumstances suggest it will be noted in the first place, that in the event of an appreciable reduction of traffic such as could sensibly affect the revenue, the Mogyana Company is not provided with remedial measures, increase of the tariff being dependent on the previous sanction of the Government; nor were the abatements made in the sliding scale of freights on coffee accompanied by any saving clauses.

The rates charged by the Company are as a rule moderate, but they are heavy for the more distant points, as the differential principle has not yet been adopted in relation to all the freight schedules. This will be easily verified by consulting the rates in the following table and comparing them with those of the Paulista Company:—

**Mogyana Tariffs for October 1904**

TABLE OF CLASSES	100 kilom.	200 kilom.	300 kilom.	400 kilom.	500 kilom.
1 Passengers (1st class).....	78000	138000	186000	278000	359000
each (2nd class).....	48000	78000	98000	138000	178000
2 A per ton.....	678500	1954000	2028500	2708000	3378500
1.....	758000	1608000	2258000	3008000	3768000
2 A.....	398750	978500	1018250	1358000	1688750
3.....	278810	558620	838480	1178100	1508330
3 A.....	248900	488900	728900	978200	1248500
3 B.....	228950	458900	688950	918900	1148500
Coffee to Campinas—3.....	328420	368770	468580	608700	608700
3.....	208150	328910	418200	608700	608700
3 B.....	178940	288260	368700	578640	608700
4 per ton.....	108900	188500	258500	308400	368500
4 A.....	258200	508400	768500	1008800	1268000
5.....	148000	288000	428000	568000	708000
6.....	408500	818000	1218500	1628000	2028500
7.....	608750	1218500	1828250	2438000	3048750
8.....	298700	598400	898100	1198600	1498500
9.....	518900	998900	1468800	1968800	2468800
10 per head—by passenger train.....	28700	58400	88100	109800	138500
10 per head—up to 20—by freight train.....	18350	28700	48050	68400	88750
10—idem—exceeding 20—idem.....	18350	28630	38850	48790	58740
11—idem—up to 6—by mixed (freight & passenger) trains.....	108180	208250	308400	408500	508630
11—over 6—idem.....	108180	208250	308380	408500	508630
12 per 6 ton.....	328400	638450	908450	1178450	1448450
13.....	648900	1268900	1808900	2348900	2888900
13.....	488200	958050	1298050	1698050	1988050
13.....	868400	1708400	2458700	3218900	3989000
14 Coal, firewood &.....	218500	428500	618480	708980	808320
14 Forage from the interior.....	168200	318900	468070	528750	748410
15 2 wheeled carriages.....	178550	358100	528650	708200	878750
15 4.....	298950	598650	898950	1098950	1398650
16 each.....	158200	328400	498600	648900	818900
17.....	1086000	2166000	3246000	4326000	5406000

As regards expenditure, it must be recognized that the Administration has given the most zealous attention to economy combined, at the same time, with suitable remuneration

of employes. The monthly pay sheet includes 3,680 employes, thus distributed.

Departments	Number of employes	Monthly Pay-Sheet	Average Monthly Wage
Permanent Way.....	1,204	134,047\$391	110\$600
Traffic.....	1,203	134,420\$160	111\$780
Locomotion.....	1,135	152,511\$900	134\$730
Accountant and Stores.....	138	33,057\$760	279\$540

From these figures it appears that the average daily wage in each of the departments is: permanent way 4\$600; traffic 4\$650; locomotion 5\$600; accountant's and stores departments 11\$650.

As to the system of bookkeeping, the Mogyana, as we have already mentioned, debits capital account with all outlays considered as of an extraordinary nature.

Thus, in 1902, 1,745:560\$424 were spent in works and improvements on the lines in traffic, which were not charged to traffic expenses but to the cost of the lines; in 1903 the outlay on the same lines was 2,383:579\$839, which was charged to Capital account; and for the current year, 1904, there will be a further expenditure on these lines of about 1,000:000\$000 which will be charged to Capital and not to ordinary expenditure. In this manner the capital account of the lines in traffic in these three years will have been increased by over 5,000:000\$000.

If the amounts expended in the financial years 1902 and 1903 had been charged to general working expenditure, the medium surplus would have been 5,810:898\$560 and the percentage of nett to actual paid up capital would have fallen to 8.3%.

Regarding the sources of revenue of the Mogyana Company we already shewed the sums that are derived from traffic, and representing real permanent profits, and those subject to reversion, corresponding to the guaranteed interest. The latter entered into the composition of the general nett revenue in the proportion of about 10%, for the financial years under consideration, but from next year onwards this contribution will decrease owing to the ceasing of the guarantee on the Rio Grande line and Caldas branch.

As regards exchange, it may be said that the *status quo* is what best suits the Mogyana's interests as it has not powers to raise its tariffs should exchange fall below 12d., when general working expenses could not fail to increase; if, however, exchange were to rise the Company would have to reduce its sliding tariff which in turn would reduce revenue to a degree that cannot be compensated by any possible economy in working. This would not be the case if a considerable part of the capital were in sterling at low interest when, on the contrary, a rise in exchange would result in certain and considerable profit.

We now pass to the consideration of the financial results, as affected by contracts and especially, by the clauses restricting dividends.

The contracts stipulate that, in the event of the nett revenue exceeding 12%, in two consecutive years, the Government can exact reduction of the tariffs. The revenues from the federal lines fall far short of the above limit, as not one of them has yet managed to cover even working expenses.—As regards the lines under concession from the State Government the result is entirely different. These yielded a surplus for the two last financial years, of 8,048\$673\$942 and 7,294:464\$290 respectively.

Consequently, as the Capital Cost of these lines is under 60,000:000\$000, the revenue in these two years attained the limit of 12%.

Finally, as regards the influence of the technical conditions of the Mogyana line on revenue, principally as concerns the future, it need only be said that, being all narrow gauge and of more or less the same technical conditions throughout, not only where the traffic is heaviest, from Campinas to Casa Branca, but over the entire system, the revenue cannot fail, even with the development of traffic, to be affected by the natural factors of relatively low carrying capacity and proportionately high working expenses.

**V**

**Comparison of the general situation of the Paulista and Mogyana Companies**

On summing up the foregoing considerations, there results the following parallel.

As regards the contractual situations of the two Companies it can only be said that they are very similar. The concessions in fact, are on the same general model with the following differences; that while the Mogyana has an interest guarantee, with still 16 years to run, for the Rio Grande to Araguay line, which has so far been worked with a deficit, the Paulista on the other hand, possesses, under the Rio Claro contract, special favours not found in any other railway concession, providing that the obligation to reduce its tariffs, when the nett revenue exceeds 12% shall only take effect at five yearly intervals, and only as regards half of the excess; it being, further, permitted to deduct from revenue the annual quota requisite for amortization, whilst the said quota is not computed as revenue for tariff-effects.

The economical situation of the two companies may be considered as equally favourable. The zones they serve are equally extensive and rich, with equally great reserves for the future. That of the Paulista is throughout in full agricultural activity; that of the Mogyana, especially beyond the Rio Grande, does not yet present notable development due, naturally, to its greater distance from the coast. At the same time the section of the Mogyana zone situated in S. Paulo and south of Minas alone produces about as much as the whole Paulista's zone; the circumstance that the whole Mogyana system acts as a feeder to the Paulista at Campinas must also be taken into account.

As regards technical conditions it was shewn that both systems are fairly well equipped for their respective services; the Paulista, however, being better provided with goods-sheds and rolling stock, besides which its wide gauge lines ensure greater carrying capacity, and more economical working, on the section of heaviest traffic, factors which will become of still more importance in the future as the traffic *via* Santos develops.

Finally, the financial position of the two Companies shows a marked similarity, as has been explained. Their nett revenues are in proportion to their respective capitals practically the same; part, however, of the Mogyana's general revenue being derived from guaranteed interest, which, in the last financial year, contributed about 800,000\$000, being more or less 10% of the total nett revenue. This source of revenue will decrease from now onwards, as the guarantees on the Rio Grande and Caidas lines both cease this year, and only that on the Catalão line will remain in force.

The Paulista capital consists partly of shares, and partly of the sterling 5% London debenture loan, contracted for the purchase of the Rio Claro line, and secured by the property of the company.

As the Rio Claro revenue suffices for the service of the debt; as the favourable terms of the concession permit of its cost being paid for out of revenue, and as, finally, the company has special means of providing for the service of the debt, even in the event of exchange falling, the Paulista possesses in the Rio Claro an element of prosperity rather than a cause for anxiety.

The capital of the Mogyana is almost entirely in shares, its external debt being insignificant. But, in addition, the company has another debt, although of a special character, we refer to the amount of guaranteed interest received from the government now exceeding 11,000,000\$000 which will be increased yearly by 500,000\$000, until the Catalão line ceases to show a deficit. This debt, however, as we said, is of a very exceptional nature, because the company has to indemnify the government only out of what surplus there may be left after 8% revenue has been earned by the lines, on which the guarantee was granted.

It has been seen that the Paulista Company's reserves comprise three different funds, of which the total is 8,918,237\$466, while those of the Mogyana Company amount to 7,626,181\$763.

Summing up, the conclusion to be come to is that, whilst the equality of the two companies may not be absolute, and from different points of view there may be circumstances favouring one and the other, they, in our opinion, entirely disappear on comparison with the solid advantages of a fusion, as we will now proceed to demonstrate.

#### Advantages of the Fusion

The fusion of the Mogyana and Paulista companies, with a view principally to the acquisition of the Sorocabana, constitutes the best possible guarantee for the stability of their mutual interests and respective development, without any impediment or risk of any kind, whilst at the same time, it satisfies the fundamental conditions of the general railway system best adapted to the economic development of the State. Our present object is to rapidly enumerate the chief disadvantages resulting from the system under which the two companies have grown up to shew how they can and ought to be remedied in the future by supplementary measures and, finally, to establish, with the care demanded by the magnitude and importance of the subject, the bases for fusion in such a manner that all possible advantages for the State and for the Companies may be secured.

The first occasion on which the interests of the Paulista and Mogyana came into collision was when both, simultaneously, endeavoured to extend their lines to Ribeirão Preto, from their then terminal points of Porto Ferreira and Casa Branca, respectively.

Without going into their respective rights, and looking only at the facts, it is unquestionable that the State of S. Paulo, the zones directly interested, and all the region beyond Ribeirão Preto, not only in S. Paulo but also in Minas and Goyaz would have benefited to a far greater extent if the extension in question, instead of being granted to the Mogyana, as happened, or, to the Paulista as might have occurred, had been entrusted to an enterprise resulting from a fusion of the two companies such as is now contemplated in regard to the Sorocabana; and if, in consequence, the extension had followed the direction which natural conditions indicated for a line destined to become one of the most important factors in the national railway system.

It is sufficient to look at the map of the State to see, that if the Mogyana extension had followed the most natural and convenient direction towards its objective free from fears of competition by the Paulista, the main line, on leaving Casa Branca would not have been violently deflected westward, 160 kilometers out of its natural course, in order to pass through São Simão and Ribeirão Preto, but would have continued in the original direction following the old highway, through Cajurú, Batatas and Franca.

Had the companies been already united, there is no doubt that not only would this have been the direction adopted by the Mogyana, with immense advantage both to the companies and to the public, but an extension of the Paulista from Porto Ferreira along the valley of the Mogy-Guassú passing through S. Simão and Ribeirão Preto, would have also been carried out.

These were the natural consequences of the conflict of interests. Their effect on the economic and financial conditions of the companies are well known and demonstrated by the measures taken for the protection of the competing areas, to the prejudice of other parts of the system, such for example as concession of special rates, duplication of lines and branches, the breaking up

of the traffic into two different systems, in lieu of at one single point where it might be advantageously concentrated, and, finally, the dread of a renewal of tariff warfare and still further encroachments on each others zones.

Further a repetition of what has long been the case at Lage and Santa Veridiana is about to happen at two points where the two different lines meet in the district of Sertãozinho near Ribeirão Preto. The lines almost touch but meantime cannot join from a fear of complications, although only advantages could result from direct communication between the vast north-western and western zones served by the Mogyana and Paulista respectively.

This state of perpetual conflict and want of cooperation that has, unhappily, so long existed, is of no benefit to either company and is positively prejudicial to the general interests. Such, *mutatis mutandis*, is the actual situation of the Paulista in relation to the Sorocabana. Even at present, the Paulista is suing the Sorocabana for encroaching on its zone by building a line from Itaicy to Piracicaba and S. Paulo.

A little beyond this point another fierce conflict is waging between the Jahu branch line and the navigation service on the Piracicaba and Tietê. In consequence, the Paulista cannot adopt the tariffs it considers most suitable on that branch, because traffic would thereby be diverted to the navigation company, which, in turn, dare not incur further expenditure for improving and extending its river service to the immense advantage of the zones on either side, from the fear of the outlay being sacrificed by the measures the Paulista might legitimately adopt to protect its own traffic. Had these companies been already amalgamated, it seems certain that the Paulista's excellent fleet, at present laid up in Porto Ferreira, would be now working on the Piracicaba and Tietê.

Further on, the extensions throughout the Agudos region, and on to Paraná, afford fresh matter for dispute. This zone is very extensive and could perfectly well support several lines between the Tietê and the Paranapanema, but, under existing circumstances, can they be established in a way to consult local interests? How under such circumstances can we expect that such routes would be chosen as will best tend to develop the zones and ultimately secure the greatest aggregate traffic, while each company is engaged chiefly in securing for itself the most extensive zone to the prejudice of its competitors? Is it possible that the State of S. Paulo can continue, however respectable the interests concerned, to see its free expansion impeded and fettered by a system which is the negation of the most rudimentary conditions under which a people can work and prosper?

But this is not all. These are not the only disadvantages of the *status quo* of our railway system.

If our great lines, all of them possessing more or less the same natural elements of prosperity and, consequently, virtually similar economical conditions, were connected or formed one undertaking, it is obvious that a single tariff system would prevail throughout, that rates would be uniform, and the present anomaly of its being possible to plant profitably in the western zones and not so profitably in those to the South and Northeast would then cease.

The fusion of the companies, besides facilitating the unification of the tariffs, would permit of another great improvement with regard to freights: namely — differential rates on the fundamental condition of distances from a common initial point.

The practical effect of such measures is shewn on a small scale in the Paulista since it acquired the Rio Claro, Santa Rita and Descalvado lines. Their tariffs were all much higher, in some cases three times those of the Paulista. They are now uniform with differential rates reckoning from the initial point at Jundiaby, with a single exception, which will likewise shortly disappear. It need scarcely be stated that great advantage has accrued to the zones served by these lines, such as would certainly not be enjoyed had they remained separate. Proof of this is furnished by the tariffs, for example, of the Itabense, Campinas, Araraquara and other feeders of the Paulista which, having their own administrations and tariffs, do not share the advantages of uniform tariffs and differential rates.

We have considered the advantages of the fusion in relation to the development of the system, having regard to the most suitable route to be followed by the respective lines: in relation to intercommunication between the different zones and the development of through traffic so far as technical conditions permit; we have insisted further on the advantage of a uniform tariff, with a view to a general revision of the system in force and the adoption of differential rates for all traffic, with a common initial point. There now remain to be discussed advantages of a technical and administrative order and, finally, those of a financial character.

The technical and administrative advantages are, as indeed are the others, intuitive. It is enough to consider that once the new grand undertaking now projected has been realised, not only will its direction be limited to one Board, instead of three, but several of the branches of the administration will be chiefly reduced. The locomotion department which is one of those chiefly responsible for general working expenses, will be considerably reduced, as the Paulista and Mogyana workshops are now fully equipped, and it will be unnecessary to maintain those of the Sorocabana and Ituana Railways. Besides this, the rolling stock could be used to much greater advantage than at present, because the seasons of greatest traffic on the Mogyana and Sorocabana do not coincide and the same rolling material could therefore be employed on both lines alternately.

In the stores of the three companies materials to the value of about 7,000,000\$000 exist. For the amalgamated company,

a single store with, possibly, half the quantity of stores would be sufficient.

The Accountants' Department will be much simplified, not only by its centralization, but also because the complicated system connected with the mutual traffic of the three lines will be done away with.

There remain the financial advantages, possibly the most important. Indeed, in treating of enterprises like this, in which some hundreds of thousands of contos are invested, representing a large share of the private savings of the State, there being very few Paulista families who have not a stake in the Companies, direct or indirect, the far reaching effects of a measure by which stability and credit and, consequently, solidity, prosperity and aggrandizement are insured are apparent.

On the other hand the unification of the capital, in harmony with the maximum revenue admitted by the tariff must be the first consideration and in fact the *sine qua non* of the unification of tariffs themselves, essential for securing economical transport to undeveloped or partially developed districts.

If then, from the financial point of view, the fusion is advantageous to the Companies, it is so also, in a much higher degree, to the general interests of the State.

The undersigned would confine themselves, exclusively to these considerations in justification of the bases of the fusion of the two great companies, were it not notorious that the principal object of the projected operation is the purchase of the Sorocabana. Consequently, to the bases of amalgamation already indicated must be added others necessary to complete the business.

It is well known that the S. Paulo railway has long desired to buy the Sorocabana.

The railway from Santos to Jundiaby, an undertaking representing an outlay of £7,000,000, to mention only the Capital fixed by the Government, however great may be its prosperity, has not a sound economic or financial position, as is shown by the fact of its being a small trunk line, of only 139 kilometres, depending principally on the traffic handed over to it at S. Paulo and Jundiaby by the other great lines stretching thence into the interior. Should these at any time cease to hand over their traffic to the English line, and prefer to transport it themselves direct to Santos, as they can do without infringing any privileges, the S. Paulo railway will run imminent risk of ruin.

And, even should no new line be built to Santos, if the national lines combined to run branches from Campinas to Itaiy and from Rio Claro to Piracicaba, thereby diverting all the Mogyana and Rio Claro Coffee to the Sorocabana, whence it could be carried without change to S. Paulo, and, vice-versa, all the up traffic for these districts; this, we assert, would be sufficient to reduce the net revenue of the São Paulo railway by at least 50%.

Realizing the danger threatening, this company has for some time back been endeavouring to consolidate its precarious position, by purchase of the Bragantina line and, more recently, by its efforts to buy the Sorocabana. The attitude of the English Company is perfectly justified nor could it indeed act otherwise in protection of the important interests it represents.

As it happened, the pretensions of the São Paulo railway as regards the Sorocabana, when it was offered for sale, clashed with those of the two great national companies both equally desirous of its acquisition.

It may be said that the amalgamation of the Paulista and the Mogyana with a view to the purchase of the Sorocabana, is, for the English Company, the gravest form that the long threatening danger could assume.

For the same reason it may be said that the only obstacle to be feared by the amalgamated national companies is the opposition of the São Paulo company to the projected operation.

Let us see whether this conflict of interests has any reason to exist or if there be any real motive for such divergency of interests.

For our part, we frankly declare that there seems to be, in what has occurred, no reason whatever for the relations between the parties to be strained, on the contrary there seems to be every motive for co-operating, and for a lasting and evident reconciliation that will secure most beneficial results for themselves and the general interests.

As a matter of fact, what is it that the São Paulo railway really wants? Not the Sorocabana for what it is worth of itself as a property; the São Paulo Railway wants the Sorocabana simply as a means of defending its own interests, and it desires to get control of it solely in order that no one else may use it in prejudice of its own line from Santos to Jundiaby.

On the other hand, why do the Paulista and Mogyana companies want it? Evidently not for the purpose of transforming it into a weapon of offence against the São Paulo Railway, but to use it as an instrument of transport so to as improve and obtain from it all the advantages that may result from the exploitation of so extensive a zone.

This being so, there is really no motive for conflict, seeing that, with a little good-will on both sides, it is easy to harmonize all interests, with great advantages to all concerned, as well as to the public.

The São Paulo railway company desires to buy the Sorocabana merely to secure its traffic. Let us then give it this assurance and furthermore that the present conditions regarding the up and down traffic with Santos, will be maintained unaltered, and obtain from it in return not only the abandonment of its pretensions to the Sorocabana, but also real, appreciable advantages, not only for planters, commerce and the public by the adoption of a uniform system of differential tariffs, from Santos inland over the amalgamated lines, as well as its

co-operation for raising the money necessary for purchase of the Sorocabana at a rate of interest that will allow more profit on the transaction, together with as immediate desistance from the extension of the Bragantina Line into the zone whither the Mogyana is also constructing a branch.

It is evident that the fusion on these bases, implies the desistance on the part of the national companies of their extension to Santos, at least during the period still to run before the Government will have the right to take over the São Paulo line from Santos to Jundiaby.

When that period expires, should the Government decide to make use of its rights it may then be possible for the amalgamated companies to acquire the line.

This desistance, while representing for the São Paulo railway the most solid guarantee it could desire, does not imply any real disadvantage either to the national companies or to the State of São Paulo.

The double line from Santos to Jundiaby, is sufficient to transport all the traffic, however much it may increase during the next twenty years, especially in view of the law prohibiting further planting of coffee and, even were this law revoked, there could, in no hypothesis, be a repetition of the crisis from over production, the effects of which are still felt.

Under these circumstances, the line from Santos to Jundiaby, being the shortest route to the producing zones, and the only one that has the right to pass through the capital of São Paulo, and, is besides protected from competition by a privileged zone of 5 leagues, on either side, it is evident that the desistance of the amalgamated lines, while meaning everything to the São Paulo railway, will not be injurious either to those companies nor to the State of São Paulo.

Summing up, the undersigned believe that none of the parties interested, on considering the operation with an unbiased mind, and with regard only to the indisputable and considerable advantages it represents will refuse to co-operate with a work so eminently destined to promote the aggrandizement and renown of the State of São Paulo.

The undersigned are, therefore, of the opinion that the bases of the fusion hereafter specified should be adopted.

## VII

### Bases of the Fusion

#### I

The Paulista and Mogyana Companies, with the necessary authorization from the Governments of the Union and the State of S. Paulo, as regards the lines under their respective concessions, and with the consent of their hypothecary creditors, hereby combine to form a single company, which shall take over all the properties and liabilities of the said companies, as from 1st January 1905, the shareholders receiving shares in the new company, of the same nominal value, and to same amounts as their holdings in the present companies.

#### II

Outside of their ordinary working expenses the two companies shall not, meanwhile, incur any further debts nor enter into any transactions that would affect their actual economic or financial position.

#### III

The dividends relative to the present half-year to be distributed to the Paulista and Mogyana shareholders, shall be paid by the new Company, after liquidation of the respective accounts, of both the lines in traffic and those in construction. The dividends to distribute shall comprise the net revenue for the half-year, plus the cash balances of whatever nature, belonging to each company.

#### IV

The capital of the new company shall be 150,000,000\$000, in 750,000 shares of 200\$000, of which 375,000 in substitution of the 375,000 paid up shares of the Paulista Company; 350,000 in substitution of those of the Mogyana Company; and 25,000 to be issued *pro rata* among the present shareholders of the Paulista and Mogyana Companies and their realized value be applied to the works mentioned in the following clauses and others, as required.

#### V

The new Company shall be administered by a Board of Directors, composed of 9 members, elected every 4 years at the General meeting of shareholders who, on such occasions, shall elect the President of the Board from among its members. There will also be a fiscal council consisting of 5 members.

#### VI

The domicile of the new company shall be the Capital of the State, with an office at Campinas for the transfer of shares, payments of dividends, and other correlative services, besides the technical departments required by the services appertaining to the new company.

#### VII

So soon as the new Company is constituted, the acquisition of the Sorocabana shall be treated of at the price previously



fixed, provided that the amount required to this end can be raised by a foreign loan on such terms that the respective service can be met out of the probable revenue of said line.

In guarantee of this loan the Mogyana and Sorocabana lines may be mortgaged or those of the Paulista, Mogyana and Sorocabana, should it be judged preferable to pay off the present foreign debt of the Paulista Company by a new loan for payment of that debt and of the price of the Sorocabana.

## VIII

The new Company shall enter into an agreement with the S. Paulo Co. for the regulation of their reciprocal interests. Exclusive of what may be judged convenient by third parties, the following will be the conditions of the agreement:

a) maintenance of the *statu quo* with relation to the mutual traffic between the S. Paulo railway and the existing lines, Sorocabana, Paulista and Mogyana, the new company desisting, during 20 years, from extending any of its lines to Santos.

b) The S. Paulo railway Co. to desist from extending the Bragançima line in the direction of Socorro or to any other point in that zone which at present exports its products via the Mogyana system, the English Company, however, retaining the right to extend its said line to any other points in S. Paulo and Minas territory.

c) The general revision of the S. Paulo railway tariffs, so as to make all the rates differential starting from Santos; to unify and as far as possible improve the regulations as to transport.

d) To establish a reduction of 50 % in the freights of all material for railway construction and maintenance.

e) The S. Paulo railway to cooperate in London, its domicile, where it enjoys merited prestige, in the placing of the loan to be issued by the new company.

## IX

The new Company shall:—

a) construct a line of metre gauge to connect Campinas and Itaipy, for the development of the regional traffic and commercial relations between the Ituauna system and the Paulista and Mogyana; as also to establish connections between all the metre gauge systems, in order that each line may utilize the others rolling stock, and to facilitate the construction at Campinas of central repairing shops for all the metre gauge rolling stock.

b) connect at the point most convenient the broad gauge system of the Paulista with the main line of the Mogyana in the neighbourhood of Lage, and establish at the junction of the lines a passenger station and stores where, in future, the passengers and freight for Lage, and *vice versa*, will change.

c) connection will be established at S. Paulo de Agudos, between the Paulista and Sorocabana lines, in order to facilitate the inter-regional traffic and allow to the rolling stock of the whole Rio Claro system to circulate on the Sorocabana and Ituauna and also, by the line from Itaipy to Campinas, over all the Mogyana system, and *vice versa*.

d) to improve and develop the navigation service on the river Piracicaba and Tieté and extend it to the districts of Buriy and Ititinga, and, when convenient, as far as Avanhandava, with which object the vessels at present lying in Porto Ferreira shall be transferred to the above named rivers, seeing that the navigation of the Mogy-Guassú has ceased, having been substituted by the railway along its banks.

## X

The new company shall make application to the public authorities to the following effect:

a) that there be fixed a further uniform term of not less than 25 years, at the close of which the Union and State of S. Paulo Governments shall have the right to take over the different lines built under their respective concessions;

b) that the tariffs of the different lines shall be revised with a view chiefly to their unification and the adoption of differential rates for all the tariffs, starting from Santos; the carrying out of these measures depending on the following clauses also being agreed to;

c) determination of the capital actually employed on all the lines of the new company, with the stipulation that, for effects of the tariff, the percentage of net revenue shall be calculated on the total recognized capital.

## XI

Should difficulties arise, of legal or other nature, to prevent or render difficult the amalgamation of the two companies, they shall be obviated by one of the two companies taking over all the property and liabilities of the other, the purchasing company making payment in shares, to be issued on the terms stated for the fusion, in harmony with the conditions mentioned above.

In conclusion of this their arduous task, the undersigned, conscious of the immense influence that the unification of the railway system of the State of São Paulo must exercise on its brilliant destinies, whether this incomparable instrument of civilisation and progress be regarded from the standpoint of solidity and importance or of intrinsic value and scope, take this opportunity of congratulating H. E. the President of the State of São Paulo on his beneficent and patriotic initiative and the Paulista and Mogyana companies on the new phase of prosperity now unfolding, cemented by their good understanding and fortified by the community of their resources, interests and aims.

The State of São Paulo and Brazil at large are no less to be congratulated on so notable an advance on the long road of economic development yet to be travelled, as on the immense advantages immediate and prospective that so great and fruitful an undertaking must ensure.

São Paulo, 19 October, 1904.

Signed: — Alfredo Maia. — Antonio Carlos da Silva Telles. — Adolpho Augusto Pinto (reporting member of the Committee).

