

The Brazilian



Review

A WEEKLY RECORD OF TRADE AND FINANCE

VOL. IX

RIO DE JANEIRO, TUESDAY, OCTOBER, 2ND, 1906

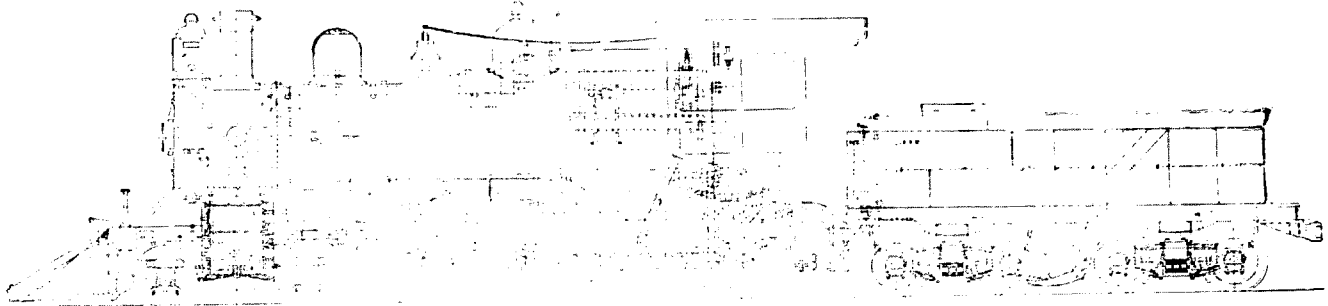
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Pernambuco — Nathan & Co.

C. do Correio, 18 — Telegrams: "NATHAN." — PERNAMBUCO.

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The Brazilian Review

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RIO DE JANEIRO, TUESDAY, OCTOBER 2ND, 1906

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MANAGER—MR. W. G. CHANCELLOR

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CAIXA DO CORREIO 455

Telegrams "BENCASTRO" Rio

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DATE	NAME	COMPANY	DESTINATION
FOR EUROPE			
Oct. 2	<i>Oropesa</i>	P. S. N. C.	Liverpool
10	<i>Thames</i>	Royal Mail	Southampton
17	<i>Magellan</i>	Messageries Maritimes	Bordeaux
17	<i>Clyde</i>	Royal Mail	Southampton
18	<i>Orita</i>	P. S. N. C.	Liverpool
FOR THE RIVER PLATE AND PACIFIC			
Oct. 3	<i>Oronia</i>	P. S. N. C.	Valparaiso
8	<i>Nile</i>	Royal Mail	B. A.
FOR UNITED STATES			
Oct. 3	<i>Byron</i>	Lampport & Holt	New York

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DEATH. Wilson. At Muswell Hill, London, on the 22nd ult. Margaret Lucy, aged 3 years and 9 months, youngest daughter of John J. Wilson of the London and Brazilian Bank.

Notes

Politics. Its reported that should the bill for the *Caixa de Conversão* pass the Senate Dr. Joaquim Murinho will resign the senatorship for Matto Grosso.

The opinions of Dr. Murinho are well known. He is a believer in high exchange and in the withdrawal of paper money.

As President of the Senate he would be obliged, if the President of the Republic, Dr. Rodrigues Alves, should refuse to sanction the Conversion law and if the bill was confirmed by a 2/3 vote of both houses, to promulgate a law contrary to his policy as Minister of Finance in the late administration and to his principles.

To this, of course, he could not consent and the natural course for him to pursue would seem to be to vacate the presidency for a time and combat the bill from the floor of the house.

Against this, however, there are also objections seeing that he is under political obligations to the "bloco" for the support that coalition gave him in the Matto Grosso "revolution."

He is thus placed in the dilemma of either voting against his party or against his conscience, which he probably will resolve by resigning the senatorship and thus escape voting at all. At the Saturday sessions of the Senate Dr. Murinho had not yet resigned; an augury it is said that the "Conversion" bill will not pass in that house.

The Coming Administration. The psychological constitution of our roseate contemporary *A Notícia* is such as makes it peculiarly sensitive to political changes and keen to note any indications of what may or may not take place in the celestial regions. When, therefore, *A Notícia*, gives the following list as its favourites for the pending ministerial race we are inclined to think it is *Vero e bene trovato*.

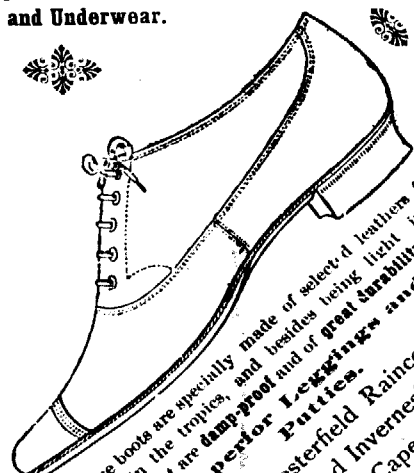
Finance.....	Dr. David Campista.
Interior.....	Dr. Augusto de Freitas.
Foreign Affairs.....	Dr. Assis Brasil.
Agriculture and Public Works.....	Dr. Carlos Botelho.
War.....	Marshal Mallet.
Marine.....	Admiral Proença.

The New British Minister. Mr. W. H. D. Haggard, C. B. is no stranger to Brazil as he was Secretary of Legation here in 1885 and acted as chargé d'affaires at Petropolis twice during his appointment there. Later he was at Athens and Quito and was then made Minister Resident at Caracas where he must have gathered a good deal of experience of South America at its worst. In 1902 he was appointed Minister to the Argentine Republic and the Republic of Paraguay, from which position he is now promoted to Brazil. He was made a C. B. in 1903, is a J. P. for the county of Norfolk and is a brother of the celebrated novelist, Mr. Rider Haggard.

The Census. It is possible that the new census may be a great surprise and that the population of this vast city is really much larger than is imagined. Certainly the movement of the trams and trains and the enormous crowds that gather on the slightest encouragement are indications of a very large population. We hear that in some districts, by no means overbuilt, such as Conde de Bomfim from the *rua da Fabrica* to Uruguay gave 15 inhabitants per house. At that rate the population will be over 800,000.

Mutato nomine. A Paris contemporary, apropos of the new company known as La Société Financière et Commerciale Franco-Brésilienne, says that the Banque de l'Union Parisienne has given its support to its formation and that it has taken the place of the old firm of Nathan and Co. of São Paulo, its head-quarters in Paris being No. 5 rue Chateaub. The object of the company is, continues our contemporary, to undertake every kind of commercial, financial or industrial business or operation in any country but more especially in Brazil, for its own account, and for the account of or in conjunction with third parties. Its main object, however, is to carry on the business and operations of the old firm of Nathan and Co. of São Paulo so soon as this firm is dissolved. At any rate the new firm does not seem averse to sensational action for its entry into the coffee business a fortnight ago set more tongues wagging than a similar operation has done for a long time. We should not be surprised to hear that the firm is about to establish a branch in Rio de Janeiro.

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Football Boots and Tennis Shoes.

These boots are specially made of select leather for wear in the tropics, and besides being light in weight are **amp proof** and of **great durability**.

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Established in 1873

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D&C.

The Dresdner Bank and the Schaaffhausen'scher Bankverein. These two banks which in 1904 joined forces for a period of 30 years now propose to increase their capital by 20,000,000 marks which will bring their united capital up to a total of 325,000,000 marks. The new Dresdner Bank shares will be offered at the rate of one new share to eight old or 1,200 marks for 9,600 marks and those of the Schaaffhausen'scher Bankverein at the rate of two new shares for 13 old or 2,000 marks for 13,000 marks. The issue will be made at 142%, of which 67% payable on subscription and 75% from January 1st to March 31st 1907 as the shareholders may choose. A extraordinary meeting is to be held immediately.

The Lloyd Brasileiro and the American service. The first important steamship line owned by South American capital and connecting the United States and South America, inaugurated its service Saturday with the sailing of the steamer Goyaz from Rio Janeiro, Brazil, for New York. This new line connecting North and South America is to be operated by the Lloyd-Braziliero Company, a corporation controlled by Brazilian capital, which now has several coast lines operating in Brazil.

The Goyaz left Rio with ceremonies appropriate to the opening of the new line, and upon her arrival in New York on September 18 Mr. Amaral, the Brazilian Charge in Washington, will greet the ship thus giving the recognition of the Brazilian Government to the completion of the first sailing of the new line.

This will be the fourth line operating between the United States and Brazil. The New York agent is the John C. Senger Company, with offices in the Produce Exchange Building.

The Lloyd-Braziliero, which has its headquarters in Rio de Janeiro, is a very extensive and substantial concern, having a fleet already of more than thirty steamers, and enjoying subsidies from the Brazilian Government which give it a prestige and facilities in the trade that are impracticable to any of its competitors. It has practical control of the Brazilian coastwise business, so that its facilities for distribution at all the centers, and upon the various navigable rivers of the country are very superior. The steamers from New York will call at Bahia, Pará, Pernambuco, Rio Grande do Sul and Santos, as well as Rio de Janeiro, and as these ships have good passenger as well as cargo accommodation, they will afford direct and desirable means of transportation. It is understood that besides the augmentation of the company's fleet with several steamships lately purchased in Europe, the company is now building fourteen new steamers especially adapted for the service. The fact that the trade of Brazil is like that of the United States, restricted to vessels of its own flag, affords the Lloyd-Braziliero advantages for through trade to all the coastwise ports of northern Brazil clear south to the River Plate.

The steadily increasing progress of the country is evidence of the desirability of cultivating Brazilian trade. In the year 1903 Brazil's total imports were valued at \$121,000,000, and her exports at about \$185,000,000. The population of Rio de Janeiro is now close upon a million people, and it is one of the handsomest as well as one of the wealthiest cities on the western side of the Atlantic. The importations of coffee and hides as well as other tropical produce from Brazil to this country have grown to tremendous proportions, while the steady growth and prosperity of the Brazilian population shows that there is no limit to this development. Brazil has, including the Amazon, many navigable rivers, remarkable for the extent of internal navigation which they afford, and they are never closed by ice. There is also an unusual number of good harbors and seaports along the coast, including no fewer than forty-two in the Atlantic coast line of 3,700 miles. (*New York Journal Commerce*, Aug. 24.)

PURGEN—The ideal aperient.

VALORISATION

On the 26th inst. the Government of S. Paulo issued a decree ordering the surtax of 3 frs. to be charged on every bag of coffee exported commencing from the 12th December next.

— The following *communiqué* was published on the 25th in the S. Paulo papers:—

"We are officially informed that with the object of anticipating the Valorization plan the Government has made important arrangements with respectable and well known firms for the defence of coffee interests and maintenance and improvement of prices. The operation has been realized on secure lines.

The *haut commerce* not only recognizes the real value of our product but has no interest in its depreciation and confides in the plan of valorization adopted by Government.

Such a measure was indispensable in view of the prospect of a very small crop next year and was indispensable for protection of the current crop.

The steadfast policy of the Government of the State and its treatment of the problem is confirmed by these facts and the error of those who, foreign perhaps to legitimate interests of the production and commerce of coffee, believed the plan to be a dangerous phantasy, seeing that the convention of Taubaté has already begun to produce beneficent effects."

We trust it may be so and that the "beneficent effects" may continue indefinitely, though it is well to remember the old adage and refrain from shouting before we are out of the wood. It is the liquidation, not the initiation of a speculation like this that is difficult. When that is effected it will be time enough to say whether it was really "beneficent" to the country at large or even to S. Paulo.

The houses said to have taken part in the coffee deal are Arncliffe Bros and Crossman & Siecken of New York, Latham & Co., Yong and Himey and Ferdinand Souquet of Havre and Th. Odor Wille & Co. and Peimann Ziegler & Co. of Hamburg.

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Telegrams "Arenson"—São Paulo

WORKS

RUA MARTIN BURCHARD

— BRAZ —

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 Capital paid up..... " 750,000
 Reserve fund..... " 700,000

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 Idem paid up..... " 500,000
 Reserve fund..... " 375,000

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Messrs. J. Berenberg Gossler & Co., HAMBURG.

and correspondents in Germany,

Messrs. Rosati & Co., and correspondents in ITALY
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Receives deposits at notice or for fixed periods and transacts every description of banking business.

al-bb-ea

x x

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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

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PAR

Writing on this subject Sr. Vieira Souto remarked that:—"From the date of our Independence exchange never, not for a single day, was at *par*."

To this, however, another writer, Dr. Lourenço de Albuquerque, objects saying:—

"It is not admissible to apply the same expressions to different situations. If the essence of things is not to be sacrificed to exaggerated formalism not only can it be asserted that *par* value was several times attained, but also that, but for the revolution of 15th of November 1899, forced currency like slavery would today be but a reminiscence."

Technically, of course, Dr. Vieira Souto is right; since the time of João VI, i.e. 1808, Brazilian Exchange has never again regained the old *par* value of the *Johannes*, worth 67 1/2d. per mil *réis*.

But that is long, long ago. Let the dead past bury its dead! We deal with the living and the *par* of 27d. per mil *réis* established in 1846.

As for Dr. Lourenço de Albuquerque his rejoinder is spoilt by its *ifs*.

If the 15th November 1899 had never been and if there had been no revolution, exchange, he says, would never have dropped and forced currency have been, like slavery, but a reminiscence.

He must be indeed sure of his premises who founds conclusions on an *if*.

But, as everything is the effect of something that went before, the fall of exchange in 1900 was no less an inevitable consequence of 1899 than the revolution itself was of the system of Government it upset.

In Wilman's work, *Brazilian Exchange*, the situation is summed up as follows:—

"The responsibility for the present state of things must be shared by all who failed to observe the birth and growth of the speculative mania which was in full swing before the advent of the republican régime, on which the blame is usually laid. Undoubtedly the members of the Provisional Government incurred a serious responsibility in not recognizing the danger of so fantastic a spirit, and, in place of checking, actually encouraged its development by imprudent or ill-considered measures; but whether the same effects would not have been produced by the same initial causes, even without any change in the form of Government, is a problem that never can be solved, but possesses every element of possibility judging from the course events were already taking in 1899."

The original value of the mil *réis* was 51 1/2d., the mint value of the *Johannes* being £1.6s. worth 65400.

In 1833 *par* was reduced to 37 1/2d. and again in 1846 to 27d. per mil *réis*; since then it has been several times over *par* and in 1898 fell as low as 5 1/2d.

Now it is proposed to reduce *par* experimentally to 15d., but whether it can be maintained even at that rate must, with a large inconvertible currency, depend chiefly on the balance of foreign payments.

For our part we believe not only that the equilibrium can be maintained but that it will improve now that this country seems to have emerged from the "colonial" period and to have come definitely within the orbit of operation of European and American capital.

The balance of trade has been favourable for years, and, of late, the introduction of fresh capital has more than compensated the exodus, and brought about the improvement of exchange from 5 1/2d. in 1898 to 16d., the present rate.

Last year indeed not only did exchange rise, but £2,800,000 in sterling coin entered the country.

If that does not show that exchanges are in our favour and that, if a maximum be "fixed" that exchange cannot exceed, gold must enter the country, nothing will.

There are none so blind as those who won't see.

THE DRAGO DOCTRINE

Cuba is in revolt, in Mexico revolution is threatened or already broken out, whilst Argentina and Brazil are bent on imitating decrees in Europe in the competition in armaments and establishment of armed peace on this continent.

All this not a month after the Pan American Congress closed its doors.

To Mr. Root the spectacle of the United States preparing to intervene in Cuba and all the rest of the Latin American countries ready, at the least provocation, to fly at each others' throats must be peculiarly painful.

We credit him not only with the best of intentions but with the foresight of the true statesman who, shackled and hampered as he was by American precedents, was prevented from even suggesting the only possible policy that could counteract turbulent tendencies—that of arbitration between all American countries.

Unfortunately the action of the United States Senate in rejecting the arbitration treaty negotiated, we believe, by Mr. Hay stood in the way and sterilized Mr. Root's sincerest efforts.

Commenting on the Drago Doctrine the *Nation* of New York says:—

"By unanimous vote of the Rio congress, the Drago plan is approved and referred to the Hague Tribunal. The South American delegates have very wisely disavowed authority in the premises. Naturally, the resolve of a debtor that he no longer pursued harshly carries less weight than a self-sacrificing ordinance on the part of a creditor. We shall know better about the acceptability of the Drago doctrine when it has been passed on by representatives of nations holding South American Government bonds. On the other hand, the view that force may not be used against nations to collect individual debts is consonant with recent tendencies in international law and with common sense. Private debtors have gradu-

ally been released from immemorial constraints and disabilities, and we believe that time will come when to go to war because a group of speculators have invested unfortunately in admittedly bad securities will seem simply absurd. If the rule of *carcat emptor* applies anywhere, it certainly does to the paper of the Latin republics. Investors in such securities act with their eyes open, and the price they pay fairly represents the hazard they take. One can hardly doubt that the jurists constituting the Hague Tribunal will in some fashion adopt the Drago plan. It is preposterous that an individual should be able to invoke against a sovereign State a more summary method of collection than the law permits in the case of a bad debtor in the next street."

The grounds on which the Drago doctrine is defended on the one hand seem as unsatisfactory and unconvincing as the arguments used to combat it in the other.

The obligation of debtors is purely moral and can only be discussed on moral not utilitarian grounds.

The issue between debtor and creditor that has to be decided is the degree of responsibility that debtors have really assumed towards their creditors, in which considerations such as value received, charges and such like must be elements. It is a Court's place to decide not only the legality of creditors' claims but their equity, and to settle in accordance with the evidence the degree of responsibility of the debtor.

The creditor could not even then be left to deal with debtors as he pleased, but must submit to the determination of the court as regards the manner in which repayment should be effected in accordance with the resources and ability of the debtor.

Such, in effect, is the principle of administration of the common law in England and all civilized countries, and we see no reason why it should be departed from in international relations.

The difficulty, of course, is to institute a final court of appeal. But in first instance, a decision from the court of the debtor country ought to be insisted on before the appeals of foreign creditors for diplomatic assistance from their respective Governments should be listened to.

The right of foreign Governments to interfere to protect the interests of their subjects or citizens can only be defended on the grounds of their failure to obtain justice from native courts.

The fact of that Government being strong or weak does not really affect the question. The right will subsist although the ability to put it into execution or the inclination to do it may not. It may be too dangerous or too costly to push a claim against Russia or Germany, but that does not destroy inherent right; nor disqualify from recovering a similar claim from Greece or Columbia.

Until that is agreed on, it is much to be feared that in spite of Monroe or any other doctrine the Governments of creditor countries will not refuse to their subjects and citizens the degree of support requisite to secure fair and equitable consideration of their claims when unable to obtain justice in other ways.

THE COST OF PRODUCTION OF COFFEE

At the meeting of shareholders of the Dumont Coffee Estates last July it was stated by one of the directors that by virtue of good and economic management the cost of production of coffee per cwt. had on those estates been brought down from 158750 ten years ago to 98671 in 1905.

From this many hasty conclusions have been drawn; amongst them that if the Dumont Company can secure such results, others must do so also and be turning out coffee at 23611 per arroba, and that, after all, with coffee selling at 65000 to 78000 planters cannot be in such a bad way as they make out and that "Valorization", "Fixation" and all the rest of it must be mere schemes to add to already not inconsiderable profits.

Had investigation been pushed a little further they would have found that in reality the state of things is very different and if for 1905 compared with 1899 the Dumont Company showed an apparent big reduction in the cost of production the profits of the Estates fell off too almost in the same proportion.

The balance sheets show the following:—

	1899	1905	Decline
Cost of production including loss by exchange.	168043	98672	40.3%
Profits for year.....	137785	108000	36.6%

If on these well managed estates with almost unlimited working capital and resources of every kind, *pari passu* with the reduction of expenditure of 40.3%, there has been since 1899 a decline of 36.6% in net profits, what must be the state of affairs with the mass of small planters obliged to borrow at extortionate rates to keep their plantations going and to sell at whatever rate they can get at Santos to satisfy advances?

Of what advantage can it be to the planters by dint of hard work and economy to reduce expenditure if income is to be cut down too, as much or more, in consequence of the rise of exchange?

That exchange is largely responsible for the decline of earnings is shown by the fact that whilst gold prices abroad have risen nearly 30% between 1899 and 1905, currency prices have fallen over 37% at home:—

	1898/99	1904/05	Rise or fall
Average quotations No 7, N. York per lb.	6.25c	7.15c	+ 29%
Santos Superior	78895	48917	- 37.9%

Had exchange been stationary currency prices would, *ceteris paribus*, have risen together with gold prices, and coffee in 1904/05 have been worth 108263 in lieu of 48917.

The decline of planters' profits since 1899 must, therefore, be attributed chiefly, if not wholly, to the rise of exchange and consequent depreciation of currency prices. In fact, this is recognized in the Dumont Company's report.

"Comparing the rate of exchange with that ruling when we started the company ten years ago," a director said, "that factor alone has increased

the cost of production 50 per cent. These difficulties and drawbacks are common to all producers of coffee in Brazil and they must of necessity curtail the production of weak owners."

If perchance it does not in good seasons, like the actual, curtail production, it cannot be questioned that the rise of exchange must and does reduce its local value, and curtail profits if it does not eliminate them altogether, except on very large estates with ample resources.

But, is it a fact that the cost of production has been reduced even on the Dumont Estates in the proportion represented?

The cost of production is here a function of three factors, Expenditure, Volume and Exchange.

As the volume of the crop increases expenditure increases too, but not proportionately, because on the one side expenditure in paper money on certain items varies little, whatever the crop may be, and, on the other, items like Maintenance of Machinery and Implements and Tools are intimately affected by variations in the rate of exchange.

For the last seven years for which we have returns crops have been as follows:—

1899.....	93,301	cwts
1900.....	81,781	"
1901.....	143,395	"
1902.....	43,019	"
1903.....	122,204	"
1904.....	79,472	"
1905.....	147,123	"

The crops that approximate best for comparison are those for 1900 and 1904, corresponding to medium crops, and for 1901 and 1905 for maximum.

Reducing the items of cost for 1904 to terms of the volume of production in 1900, and those for 1905 to terms of that of 1901, the following results are obtained:—

TO FAZENDA CHARGES	COST OF PRODUCTION PER CWT				COST OF PRODUCTION IN 1904 REDUCED TO TERMS OF CROP OF 1900	DIFFERENCE BETWEEN A & E	COST OF PRODUCTION IN 1905 REDUCED TO TERMS OF CROP OF 1901	DIFFERENCE BETWEEN B & F
	A 1900	B 1901	C 1901	D 1905				
Cultivation.....	480.98	380.67	481.97	289.98	480.98	+ 6.70%	286.76	- 12.70%
Picking.....	380.99	380.65	381.60	280.62	380.99	- 8.90%	380.69	- 15.80%
Curing and Drying.....	180.79	184.06	183.35	180.72	180.79	- 22.60%	180.99	- 21.80%
Estate Transport.....	180.50	181.60	181.72	180.59	180.50	+ 6.40%	180.86	- 22.70%
Upkeep of Roads, Machinery, Building, Stores, Terraces, &c.	180.30	181.60	181.04	180.42	180.30	+ 9.70%	180.61	- 27.70%
Implements & Tools.....	80.41	80.41	80.26	80.13	80.25	- 43.20%	80.13	- 61.80%
Fire Insurance on Buildings.....	80.50	80.25	80.45	80.15	80.45	- 10.00%	80.20	- 28.60%
Administration.....	180.87	8.45	180.90	8.72	180.88	—	8.71	- 20.50%
General Expenses.....	8.75	8.72	8.79	8.77	8.47	- 5.90%	8.24	- 32.70%
Dispensary, Net Cost for year.....	22.15	8.08	8.08	8.06	8.05	- 60.50%	8.03	- 41.70%
Expenses & Introduction of New Colonists.....	15.62	12.22	11.55	11.42	11.40	+ 15.40%	11.46	- 34.20%
Interest on Colonists Deposits.....	8.26	8.09	8.08	8.06	8.03	- 37.80%	8.03	- 37.80%
Municipal Tax on Coffee, &c.....	11.73	11.78	11.75	11.76	11.71	- 24.30%	11.79	- 12.00%
Office Expenses.....	11.65	8.99	8.97	8.08	8.91	+ 15.10%	8.12	+ 13.10%
Total cost per cwt on plantation.....	1500.67	1231.88	1480.93	906.72	1482.78	- 5.20%	989.23	- 19.40%
Loss in Exchange.....	181.96	90.2	—	—	—	—	—	—
Balance, being Profit for year.....	1823.13	1241.68	1480.93	906.72	1482.78	- 5.20%	989.23	- 19.50%
	1700.65	1090.24	1381.71	1000.1	1257.99	- 24.70%	1082.61	- 3.40%
Crop (cwt.).....	81,781	143,395	79,472	147,123	81,781	—	143,395	—
Exchange (pence).....	10.27	11.44	12.375	16.83	—	—	—	—
Cost of production per bag of 60 kilos.....	178.783	148.48	17.353	114.423	—	—	—	—
" " " " arroba.....	484.47	380.67	483.58	289.56	—	—	—	—

Comparing the results for 1905 with those for 1900 it would be found that gross expenditure shows a positive decrease in four out of the thirteen specified items, whilst if reduced to its unit per cwt every item of expenditure has declined.

	1900/04	1901/05
Crop in cwt.....	81,781 (basis)	143,395 (basis)
Rise of exchange in pence.....	2.00d.	5.39d.
Rise per cent.....	19.50%	47.10%
Cost of production—reduction.....	5.20%	19.40%
Profit—decline.....	24.70%	3.40%

Reduced to a common standard of volume 81,781 cwts, the cost of production in 1904 shows a reduction compared with 1900 of 5.2%, with a rise in the rate of exchange of 24.7, or 19.5%.

Compared with 1901 the cost of production in 1905 declined 19.4%, whilst exchange rose more than double what it did the previous year i.e. 5.4d. or 47%.

How much of this decline in the cost of production is due to improvement of exchange and how much to that in the management and methods of the Company it is hard to determine.

For items like Maintenance of Machinery, Implements, Tools, Insurance, Administration, Dispensary, Expenses with new colonists, and Taxes (*ad valorem*) in which imported articles or service are chiefly employed, cost should tend to fall as exchange rises (and *vice versa*) and the unit cost for these particular items should show a relatively larger reduction in 1905 than in 1904, as they actually do.

Of the other items payable entirely in paper money and little affected by exchange, the decline of cost in one, Curing

	1900	1905	1900 Increase	1905 Decrease
Cultivation.....	311,987	383,783	14.50%	—
Picking.....	275,518	438,761	59.20%	—
Curing and Drying.....	137,313	157,656	14.80%	—
Estate transport.....	87,995	99,898	14.40%	—
Upkeep Roads, buildings etc.....	150,043	123,856	—	17.40%
Implements, tools.....	3,540	1,924	—	45.60%
Fire Insurance.....	4,067	2,808	—	31.10%
Administration.....	121,631	107,624	—	11.60%
General Expenses.....	38,818	30,711	—	4.30%
Dispensary.....	17,622	10,824	—	38.40%
Expenses new colonists.....	12,058	20,932	—	68.80%
Interest Colonists deposits.....	29,147	—	—	—
Municipal Tax.....	94,171	19,968	—	78.80%
Office expenses.....	13,551	15,941	—	17.60%
	1,231,412	1,422,921	15.50%	—
Crop cwt.....	81,781	147,123	79.90%	—

To properly compare and analyse the cost of production at one period with that at another the influence of variations not only in volume but of exchange should be taken into account.

As regards exchange it is impossible, without entering into minutest details that only the books of the estates could furnish, to know exactly how much expenditure has been affected in this respect.

But as regards the other factor—volume—it is simpler and, by comparing the results for similar crops and reducing them to a common standard, a very fair general idea may be formed of the real reduction in the cost of production effected during the last five or six years on these estates.

and Drying, is 22%, and almost the same for both periods; this would appear permanent and points to real economy having been effected by better methods.

In Cultivation, Picking and Transport the unit for the later periods 1901-1905 also show great improvement, though not so considerable as those affected by exchange.

The conclusions to be drawn are as follows:—

1st. That so far as can be judged, without more details as to the effect of exchange, the cost of production on large estates, employing a European staff and using large quantities of imported materials payable in gold, the cost of production is and must be favourably affected by the improvement of exchange.

2nd. That the reduction of cost has been of little or no advantage (to home planters at any rate) because, even under the favourable circumstances that the company is working under profits have declined from 17,000 per cwt in 1900 to 10,824 in 1901, 13,171 for 1904 and to 10,801 for 1905.

3rd. That the cost of production cannot be averaged, but on very large estates like Dumont with exchange at 16d. is about 10,800 per cwt or say 28,500 per arroba, and for medium crops with exchange about 12d. is 15,800 per cwt or about 48,500 per arroba of 15 kilos.

4th. That on smaller plantations results must be very different and the cost not only be raised very considerably, probably to 38,500 and 48,000 for good and 58,000 to 68,000 for small crops.

5th. That, consequently, the margin for the average planters' profits must be always extremely narrow and often disappear entirely.

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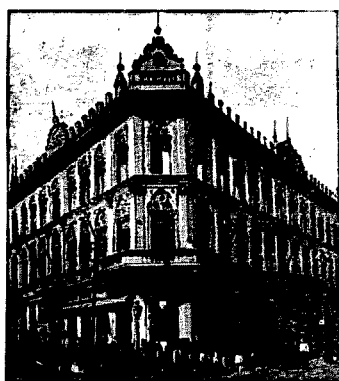
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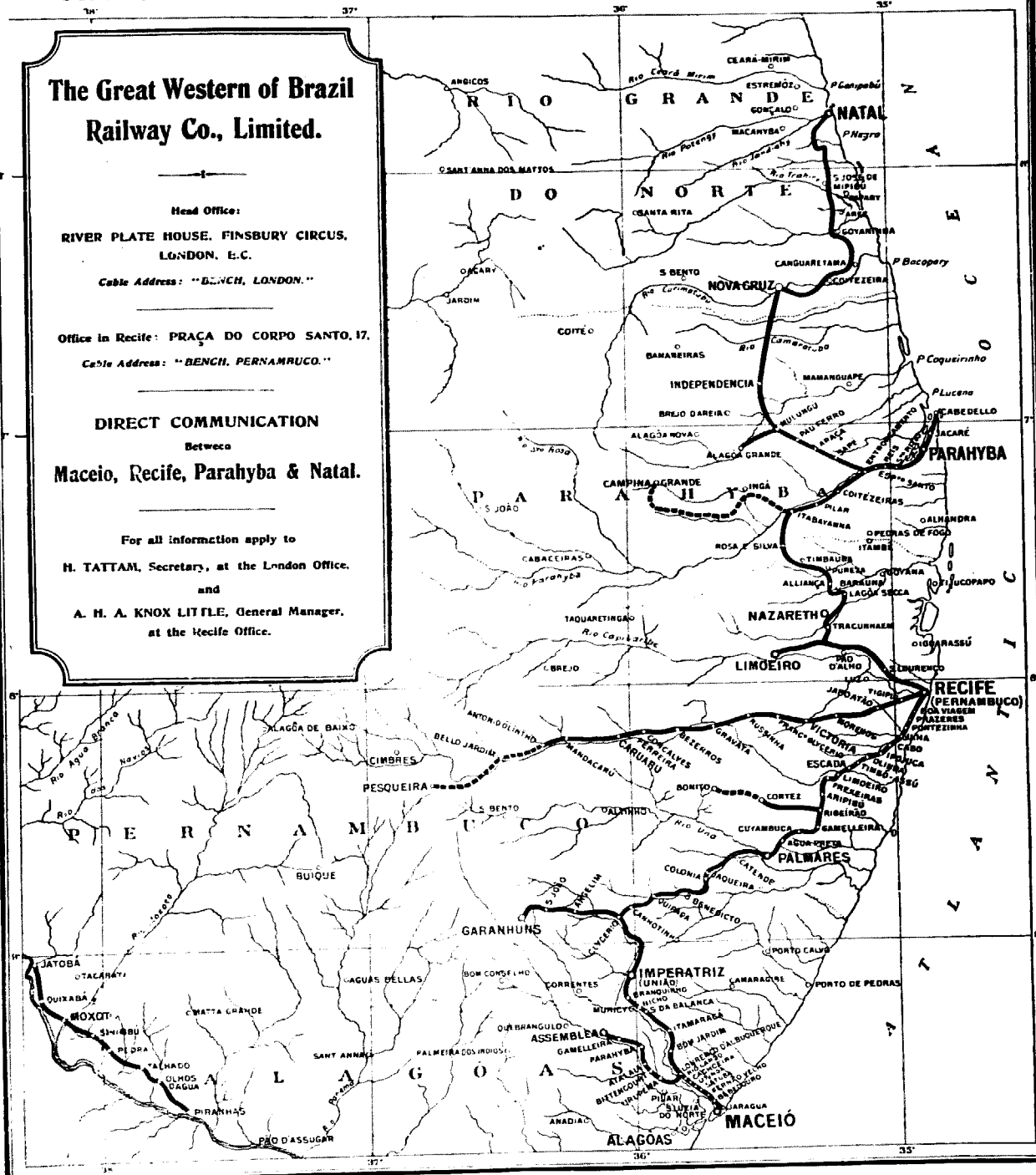
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THE CONVERSION BILL

The amendment to reduce *par* to 12d was, as was expected, abandoned, whilst those of Dr. Campista have passed Committee and the third reading will shortly be continued and the bill then go to the Senate, where great efforts are being made for its defeat.

THE TAUBATÉ CONVENTION

The following is the text of the decree regulating the collection of the special tax of three francs per bag of coffee produced in the State of São Paulo:—

"The President of the State of São Paulo exercising the power conferred upon him in Article 36, No. 2 of the Constitution of the State and in execution of Article 29 of Law No. 984 of 29th. December 1905, and of Article 2 of Law No. 900 of June 4th. 1906, Decrees:—

Article 1. Coffee produced in the State of São Paulo for export will pay the special tax of three francs per bag of 60 kilos created by Article 59 of Law No. 984 of 29th. December 1905.

Article 2. The payment of the tax of three francs per bag of coffee to be exported through the port of Santos will be made in the Revenue Department of that city on the occasion of paying Export Dues and ought to be regulated according to Cap. 3 of Regulations appended to Decree No. 625 of 21st. December 1898.

Coffee produced in the State of São Paulo to be exported from Rio de Janeiro will pay the same special tax of three francs per bag of 60 kilos which will be collected in the Revenue office of the State of Minas Gerais in accordance with the agreement of 24th. May, 1905, or such other agreement as may be deemed advisable.

Article 3. The payment of the tax will be made in currency equivalent to three francs gold at the official exchange of the day which will be posted in the Revenue Office in accordance with information supplied by the Camara Syndical.

Special clause. The payment of the tax can also be made in gold or approved bills at sight against London Banks, the calculation being made in the Revenue Offices of Santos or the Federal Capital by reducing the franc to pounds sterling in accordance with the exchange of the previous evening between Paris and London.

Article 4. At the Revenue Offices of Santos and Rio de Janeiro there will be a special account for the entering of the three franc tax and in it will be inscribed the amounts received in payment and the amounts paid out to the Treasury of the State of São Paulo, (model N. 1).

Article 5. In the Treasury of the State of São Paulo there will also be a special account in which will be recorded the amounts received and paid out from the collection of this special tax remitted by the Revenue Offices of Santos or the Federal Capital.

Article 6. The Revenue Office at Santos will remit every day the bills which it has received in payment to the Inspector of the State Treasury.

These bills will be accompanied with a report according to model N. 2 of which there will be a copy in the Revenue Office.

Article 7. The Revenue Office of Minas in the Federal Capital will remit daily or weekly, as shall be arranged, to the Treasury of the State of São Paulo the bills received in payment together with the report as laid down in Article 6.

Article 8. Together with the statement of Accounts the Administrator of the revenue office in Santos will remit a special balance sheet to the Inspector of the Treasury showing the collection of the three franc tax and the remittances made to the State Treasury. A similar balance sheet will also be remitted each month by the revenue office of the State of Minas in the Federal Capital.

Article 9. The employees of the Revenue Office of Santos and of the State of Minas Gerais in the Federal Capital will receive no percentage for the collection of this tax since such percentage is not authorized by law.

Article 10. If the financial operation treated of in Article 8 of the Convention of February 26th. 1906 is realized with the guarantee or endorsement of the Union the right of collecting the three franc additional tax referred to in these Regulations will be transferred to the Federal Union as laid down in that Article.

Article 11. These Regulations will come into force on the 1st. of December of the current year.

Article 12. All dispositions to the contrary are revoked."

JORGE TIEBICA.

Albuquerque Lima.

RUBBER

Messrs. Knowles and Foster's report of September 3rd says that the market for fine Pará continued low after their last with little business doing but hard fine saleable at 5s. 1 1/2d. and the same six months warehouse, at 5s. 2 1/4d.; fine soft at 5s. 1 1/4d. and for September and October delivery at 5s. 0 3/4d. per lb. up to the middle of next month; from that date prices firmed about 1d. per lb., 5s. 3d. being obtainable for fine hard, and for old Bolivian and fine soft 5s. 2d. per lb. but during last week little business was done except to liquidate some uncovered sales and the market closed quiet and inactive for their quotations with sellers for September and October delivery, fine hard at 5s. 1 1/2d. per lb. and fine soft at 5s. 1 1/4d. per lb. There has been small demand for Seranby but prices show little alteration; owing

to purchases to cover speculative sales the value of Peruvian *caucho* improved 1d. per lb. being saleable at 3s. 10d. per lb.

Medium descriptions of superior and good quality found a sale at firm prices but others were sold with difficulty or at reduced prices. Good Mangabeira rubber from Matto Grosso, slightly mixed, found purchasers at 3s. 4 1/2d. to 3s. 4 3/4d. per lb. and inferior and spongy qualities from 3s. 1 1/2d. to 3s. 1 3/4d. per lb. Bahia regular at 3s. per lb. Manigoba found no sale.

Stock in warehouses of Pará on August 31st in Liverpool and London was 704 tons against 390 tons, of Matto Grosso 31 tons against 35 tons and of all kinds 2,154 tons against 1,632 tons at same date last year.

Pará statistics for the month of August:—

	1906	1905	1904	Tons
Entries at Pará (Perú excluded)	1,000	1,300	1,250	
Shipments for Europe	880	1,820	680	
" for North America	770	430	565	
Stock in 1st hands at Pará	460	50	20	
" 2nd " " "	360	280	295	
" North America	350	570	120	

The total visible supply of Pará including Peruvian on August 31st was 2,708 tons against 2,087 tons last year and 1,520 tons in 1904.

Entries at Pará for the month of August included 1,550 tons of Pará and 140 tons of Peruvian *caucho* against 1,240 tons and 60 tons last year.

COTTON

Messrs. Knowles and Foster's report of September 3rd brings the following:—

"Owing to continued good reports of the coming crop, to the reduced demand for consumption and anxiety on the part of holders to sell, the market ruled low up to 24th ult. when medium American was quoted for January and February delivery at 4.9d. per lb. Afterwards prices reacted in a few days some 26 to 28 points. Last week the market again showed a downward tendency and frequent and considerable oscillations caused great nervousness and today quotations show a falling off of 67 or 69 points per lb. since our last.

In Brazilian descriptions only moderate business has been done and values show a like reaction.

The stock in Brazil on August 31st was 49,140 bags against 5,670 bags at the corresponding date last year, and of all descriptions 379,500 bales against 722,220 bales in 1905 and 190,380 bales in 1904."

Quotations for cotton at Maceió from 10th to 14th Sept. were as follows:—

1st	78500
Medium	78000
2nd	65500

ENTRIES OF COTTON AT PERNAMBUCO for the last four crops, in bales, are as follows:—

	1902-3	1903-4	1904-5	1905-6
September	15,769	9,850	6,425	17,200
October	18,246	17,215	2,720	26,315
November	22,482	25,304	23,574	32,132
December	40,058	29,051	27,754	32,552
January	35,524	28,084	27,973	22,412
February	37,555	25,326	34,391	19,402
March	32,845	25,136	32,136	32,295
April	23,148	20,594	9,359	22,645
May	23,214	6,224	16,256	15,019
June	11,235	4,687	9,832	8,915
July	10,002	5,264	17,336	7,273
August	9,540	4,932	17,168	9,997
Total	280,558	201,687	235,834	246,217

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GOLD MEDAL S. LOUIS 1904



General News

Local Items. The returns of the Director General of Public Health for the week ended Sept. 23rd are as follows: Yellow fever, 0; typhoid plague, 2; small-pox, 0; measles, 0; scarlet fever, 0; diphtheria, 2; whooping cough, 0; influenza, 1; typhoid fever, 2; dysentery, 2; beriberi, 0; leprosy, 0; erysipelas, 1; marsh fevers, 5; pulmonary diseases, 68; other contagious diseases, 1. Total 87. Violence, including suicides, 11. Non-contagious diseases, 199. Total deaths from all causes, 297; equal to an annual death rate of 16.96 per 1,000 inhabitants. Mortality of contagious diseases to total number of deaths 29.29%. Under treatment in hospitals: yellow fever, 0; small-pox, 2; and bubonic plague, 11.

— Dr. Lauro Muller is a busy man and appropriately winds up a most active administration by opening to traffic the different sections of the lines of which he was, in a sense, creator.

He was last week in Minas where he opened a new extension to Pirapora and this week in São Paulo where the first 100 kilometres of the N. E. Railway of Brazil, that starts from Bandeira on the Sorocaba and has for objective Cuyabá, the lively capital of Mato Grosso. This line is being built by French and Belgian capital and will traverse some of the finest grazing and coffee lands in the country.

— It is better to be born lucky than rich and for a State to have a pushing Minister to rely on than much merit.

So whilst Bahia and Pernambuco have to wait until the spirit, or something, moves the powers that be to do something for them the contract for construction of port works at Massambú in Santa Catharina and extension of the Donna Thereza Christner Railway to that port has been signed, sealed and delivered to the American Syndicate who take the job over.

Santa Catharina is one of the most delightful parts of Brazil. Picturesque and with a charming climate, it ought to be the playground of Brazil. But as regards production it does not excel, the value of exports in 1904 being only £231,847 all told! All along the coast of Santa Catharina there are excellent harbours, certainly sufficient to provide for many years to come for any increase of trade that there is likely to be in the State, unless the coal mines turn out the success that Dr. Lauro Muller, the Minister of Public Works seems to expect.

To us the construction of a port and railway on such flimsy assumptions seems putting the cart before the horse, as was done sixteen years ago, when the Brazilian Government gave a con-

cession for construction of this very same D.T.C. (it ought to be have been D.T. Railway) from Imbituba to Tubarão to bring down this very same coal, instead of working and proving the mines first.

Amongst other obligations the Government has saddled itself with is that of taking 620,000 tons of coal in ten years from the mines, which together with the railway and port are apparently to be worked by the American Syndicate organised by Mr. Corthell that will also tackle the Rio Grande bar. Perhaps the margin on the Rio Grande contract has been made big enough to pay for the Santa Catharina business also. Otherwise we fail to see how it can be made to pay, especially if the coal mines turn out a failure, as they are, in our opinion, bound to do.

— What is meant by the phrase *política de aproximação* we have heard so much about lately? Is it *aproximação* in the wide sense, of confraternisation of all American peoples, or is it merely the approximation of the country to the United States of North America that is meant?

If the former it does not seem that ordering 14,000 ton ironclads and stirring up the jealousy of Argentina is the best way to "approximate." If the latter, all that we need trouble about is to "approximate" duties on American exports at our end to duties on our produce at the other to get all and more than from many congresses.

— The work on the *beira-mar* between the Bay of Botafogo and the Passeio Público is advancing steadily. The widest part to be filled up was at the corner of the Gloria and the *rua Russell* and the wall here is now nearly finished. It really is wonderful to see what energy and go can accomplish in so short a time. The actual number of square feet that have been reclaimed from the sea in the whole length of the *beira-mar* must be very considerable. Within a short time now the whole drive from the Avenida to the far end of Botafogo should be ready for use. It will be one of the finest sea drives in the world, if not the finest.

— The fountain in the garden of the Gloria does not seem to tone down with age or become mellow like the portwine out of the proceeds of which it was erected. It remains a dazzling white with its curious design and its flat back leaning against nothing. Some of the professional mud throwers of the City might be doing a good action if they turned their attention to it for a few hours.

— The Monroe Palace as seen from the bay is fine but it is somewhat spoilt by its surroundings. The long green wall of the Frigorifica factory and its hideous chimneys are a poor background. Furthermore we feel sure that the ugly buildings

belonging to Dr. Passos' sawmill will not be allowed to stay where they are to mar the picture. We cannot imagine that he will allow private considerations to interfere with his sense of beauty and doubtless we shall soon hear that he has made a present of the site to the community for the completion of the sea front drive.

— Now that the old Penitencia Hospital in the Largo da Carioca is fast crumbling to dust before pick and shovel the inmates have been removed to new premises in the *rua* Conde de Bonfim near to the Hotel Tijuca. We cannot help thinking that it is certainly a much more healthy position than right in the middle of the City where the dust and the sun must have made the old quarters almost unbearable at times.

— Mr. Owen Phillips M.P. Chairman of the Royal Mail Company passed through Rio on Wednesday last on the s.s. *Amazon* on his way home. We understand that he will return to South America at an early date and will remain for some three months, spending some of the time here and some at Buenos Aires. One result of his visit is to be a fine new launch for the Royal Mail here which was ordered by cable and will arrive towards the end of the year. We also understand that the question of a service between South America and the United States is being considered by the Royal Mail but there are so many difficulties in the way at present that there does not seem any immediate prospect of its inauguration.

The number of passengers between here and the States is not large but if sufficient freight could be secured from the Plate the service would probably prove profitable.

— Mr. J.J. Impett, who is to succeed Mr. Percy Clarke as General Manager of the Leopoldina Railway at the end of the year, arrived on the s.s. *Thames* on Tuesday last.

— On Wednesday last the £5,000 offered to the Chilean Government by the Rio Municipality for the victims of the Valparaiso disaster was put at the disposal of the President of that country through the Chilean Legation.

— The Prefect of the Federal District has opened a credit of 114,000\$ for the purchase of material for the scavenging of the City. We hope that something will be done to lay the dust where it is really needed instead of turning the cleaner streets into lakes when they are most crowded.

— The Rio Grande Deputies gave a very successful banquet to Dr. Fernando Abbott before his departure from Rio for Rio Grande on Sunday September 23rd.

— A new Brazilian Consulate has been installed at Sydney, Australia. A commission has also waited upon the Barão do Rio Branco in the name of the Brazilian Colony in Morocco asking that the Consulate in Tangiers may be re-established.

— Tomorrow the International Wireless Telegraphy Congress will meet at Berlin. The Brazilian representative is Dr. Cesar de Campos, Director General of Telegraphs in this country. It is stated that Marconi is to be present in person. Out of the 30 countries invited to take part in the Congress all have sent representatives except China and Peru.

— During the last week 297 births and 68 marriages were recorded in the Federal District.

— We understand that a worthy citizen whilst talking to the official who called for the census paper remarked that though he had entered his name on the list he had not slept under his own roof that night. When asked for an explanation he said that he suffered from insomnia, and had not closed an eye!

— A and B were walking down the Avenida last week, says A to B. "Have you heard the latest extravagance of the Prefect? He says he won't have these brand new lamps on this street any longer." B to A "Why on earth not?" A to B "Because they are long enough already" (exit hurriedly).

— The Committee of the Larangeiras Club are certainly to be congratulated on the energy they have displayed in organising the dances which have now become so popular. On September 22nd the Club gave the 6th dance of the season and it was as well attended as the preceding five which is to say that it was crowded. The final dance of the season will, we believe, take place during the present month but after that the hot weather will make these pleasant social reunions impossible though we are sure that if only the heavens were propitious the Committee would immediately take advantage of their smiles and organise more dances for the edification of the youth and beauty of the English and American Colonies.

— The *Financial News* says "Brazil is spending £1,000,000 on new battleships. The Brazilian Government, however, is not anticipating trouble. The ships can be sold at a profit of 40% when the next European war breaks out." Our contemporary is a little below the mark when it talks about £1,000,000 as the amount to be expended is more like five times that sum. However if our contemporary will tell us the exact psychological moment of the outbreak of "the next European war" it seems the Government might do worse than earn 40% on their money by ordering a few more battleships.

— The French Minister to Brazil, M. Julien Decrais, has retired from the service and left for Europe a few days ago. Until his successor is appointed M. R. Le Brun will act as Charge d'Affaires.

— The English ship *Birchtor* put into Rio a few days ago on fire. The cause is supposed to have been spontaneous combustion in the coal bunkers. In any case the fire was soon extinguished on her arrival here and she proceeded on her voyage shortly afterwards.

— The battle of flowers which took place a few Sundays ago in the Praça da Republica showed a profit of some 14 contos. This is to be distributed amongst various deserving charities.

— The progress of the new "Esperanto" language has made in this country is exemplified by the fact that the Minister of the Interior has authorised an active propagandist of the new language to give lectures in the Gymnasio Nacional of Rio de Janeiro. Mr. Roosevelt's new spelling should give a new impulse to such a thing for if his designs on the English language are carried out it will become absolutely incomprehensible to the foreigner. It is hard enough for the foreigner to pronounce our language as it is, but if it is written phonetically i.e. with the English sound, it will lose all character for the would-be student. If roots disappear then the language will become a mere jumble of meaningless letters as hard for the foreigner to understand as Arabic or Chinese would be for us.

— The Archbishop of Pará arrived in Rio by the s.s. *Thames* on Tuesday last. It will be remembered that he was in the wreck of the *Siria* and was only saved after having been in the water for some four hours. He will leave shortly for his diocese. Telegrams from Europe state that what is supposed to be the body of the Bishop of S. Paulo, who was drowned in the same wreck, has been found on the Southern shore of the Mediterranean. So far there is no confirmation of the news.

— Count Prozor, the Russian Minister, arrived in Rio last week on the s.s. *Amazon* on his return from the Argentine Republic.

— Dr. Joaquim Nabuco who has been visiting S. Paulo and Bello Horizonte is expected back in Rio shortly and will leave this month to take up his duties as Brazilian Ambassador at Washington. His name has been mentioned as candidate for the Ministry of Foreign Affairs in the in-coming Government.

Rio de Janeiro. The commencement of what ought to be a most lucrative industry has been made by Sr. Joaquim Serrado with 200,000 pine plants to commence with. The *baixada*, as the vast flat between the Mountains and the Bay of Rio is called, is eminently fitted for fruit growing and could raise enough oranges, bananas and pines to feed South America. Nor have planters to go far to find a market; in Rio and Buenos Aires they have cities with between them nearly 2,000,000 souls who will take and pay well for all the fruit that the *baixada* can raise for generations.

It is useless with such markets close at hand to worry about Europe where competition is much keener and prices often lower. We believe there is a great future in fruit growing on the *baixada* for Argentina.

Already a good start has been made. 30,521 bunches of bananas, 280,000 tangerin oranges, 59,820 pine apples and 23 cases of lemons having been shipped by two firms up to 31st July.

Minas Geraes. The new Governor of the State is beginning well. He is seriously studying the possibilities of exporting timber from the State. At present the duties coming to the public coffers of Minas Geraes from the export of this article is only 20,000\$ per annum. As the State is enormously rich in timber of all kinds the Governor is determined to do all he can to foster this trade. He is also studying the question of establishing model fazendas in the State as proposed by seven Municipalities. The Municipalities propose that they shall supply all the machinery, material, houses for labourers etc. etc. themselves and the State shall supply trained professors to teach the principles of agriculture. It is said that Dr. João Pinheiro is very much impressed with these proposals and will in all probability adopt them.

S. Paulo. The Federal Congress is taking into consideration the increase of the personnel of the S. Paulo Post Office and the reform of the same. It is proposed to increase the staff by some 120 employees. After this the question of international postage between the State and other countries will be taken into consideration and especially the improvement of the service of *vales* to Italy to benefit the enormous number of Italian *colonos* in the State.

— The President of the State has signed a decree by which the notification of trachoma is made compulsory on all doctors of medicine in the State.

— Several members of the Santos Municipality have been visiting Rio. They have been shown all the sights and all the improvements and it is to be hoped that they will take back with them to Santos a greater anxiety for progress than they have lately been showing when on their native heath. The means of transport in Santos leave much to be desired.

— During the month of July last the Sorocabana Railway working showed a balance of 157,921\$534. The total balance for the seven months January to July of this year is 1,381,446\$276.

— The indefatigable Customs House officials at Santos have this time found something tangible. Instead of dictating to a man how many shirts he is to wear and restricting him to a meagre half dozen they have now searched a ship and found hidden away in the prow of the *Nivernais* whole boxes of soap, scents and silk handkerchiefs. The head of the Alfandega must be a proud man indeed.

— The S. Paulo papers state that on Thursday last a cloud of locusts passed over the town coming from the South and steering a northerly course. The cloud was estimated to be 300 metres long. Many of the destructive insects were captured in the City itself.

Rio Grande do Sul. We are informed that the firm of Stoos Wachtel Co. of Rio Grande will henceforth be known as George Wachtel and Co. Mr. Paul Stoos having retired from the original firm on June 30th last.

— Messrs. Guinle and Co. have contracted with the Companhia de Luz Electrica of Rio Grande for the electric installation for that city. The boilers are to be supplied by Messrs. Babcock and Wilcox, the steam motors by A. L. Ide, Sons, the condensers by Worthington and all the electric material by the General Electric Company of the United States. It is expected that the new installation will be in working order by February next.

— Exports of hides from this State from January 1st to August 31st for the last six years 1901-1906 were as follows:—

YEAR	SALTED HIDES		DRY HIDES		TOTAL
	Europe	U. States	Europe	U. States	
1906.....	417,956	—	221,458	9,600	648,414
1905.....	333,510	—	221,838	14,510	569,858
1904.....	467,642	—	184,792	29,136	681,570
1903.....	401,850	—	200,864	15,663	618,377
1902.....	355,980	—	144,987	60,564	561,531
1901.....	241,409	—	190,922	52,350	493,681

Bahia. The local papers state that the epidemic of smallpox in Bahia is increasing considerably.

— The engineer entrusted with the supervision of the building of the ships ordered for river service in the State reports that the *Comandante* has left Troon (Glasgow) and should arrive in Bahia today. The *Maraba* has had successful trials and is expected to arrive in November. The *Jaguaribe* has already left St. Vincent and is expected shortly. The *Serra* will leave Scotland shortly for Brazil.

— According to *Le Moniteur des Interets Matériels* the following gentlemen have been appointed to administrate the *Eclairage* of Bahia; Messrs. Herman Brison, Huldard and Mac Neale, with M. Tensburg as commissioner.

— The State budget for 1907 is not very cheerful reading seeing that whilst expenditure is placed at 11,208,775\$396 receipts are put down at only 8,461,000\$000. This leaves a deficit of 2,744,000\$000 not a pleasant prospect for any State to look forward to. It will be a case of more loans and then more deficits and so on until there will be no more money forthcoming and then *ruat coelum*.

— The Brasilianische Bank für Deutschland is about to open a branch in Bahia according to the *Diario* of that city.

Pernambuco. A humorous letter appears in the *Jornal do Recife* from a correspondent who has considerable wit and who is very caustic at the expense of Brazilian justice. First comes the following statement. "Complaint—Mr. George W. Baile, His Britannic Majesty's Consul in this State has complained to the Governor of the State against the judgment lately given with regard to one Manoel Teixeira, employee of the Companhia de Beberibe, who on the 22nd day of July last surreptitiously entered the residence of Mr. James Chalmers, engineer of the same company, with intent to assassinate him. Teixeira was acquitted and set at liberty." And now the correspondent:—

"Mr. George W. Baile surely can only have spent a very short time in Brazil that he should have so little acquaintance with our judicial system. Every day we see assassins acquitted; assassins who have killed their man in broad daylight before five or more witnesses. How then can Mr. Baile protest against the acquittal of a man who only to *trick* take Mr. Chalmers' life? If this course were always followed, *but eis corpus* would have no value, for today it is the easiest way of proving a criminal's *innocence*. If Teixeira had killed his man he would have been put at liberty by the same process of *habes corpus*, which by the way is an English invention. Really Mr. James Chalmers ought to be thoroughly satisfied that he was not killed. Mr. Baile then has no business to worry about the acquittal of the criminal whilst the victim ought to be more careful in future. (signed)—*Um Pernambucano*."

Ceará. The estimates for 1907 have now been approved by the State Congress. Revenue is placed at 3,151,725\$831 and Expenditure at 2,896,755\$855, a surplus of 254,969\$979.

Amazonas. The postal arrangements at Manaus seem to be somewhat lacking in organisation. When the s.s. *Pernambuco* arrived there was no one to take the mails, with the result that a search was made for the porter of the Post Office who opened the door in a sleepy fashion and took in the bags. The result of this was the delay of a whole day in the delivery of the mail. It seems a marvel if such methods are in vogue that any letters or papers ever reach their destination.

— The American millionaire, Mr. Dodge, has arrived at Manaus on his yacht. He gave a lunch on board to the Governor of the State and most cordial toasts were drunk and all was "beer and bonhomie."

— The new building for the Custom House at Manaus has begun. It is to have a frontage of 22 metres 80 and a depth of 35 metres 60.

— Sir Alfred Jones, President of the Liverpool School of Tropical Medicine, has written a letter to the Governor of the State thanking him for the facilities he has given and the hospitality he has shown to Dr. Thomas who was appointed by that School to study the health of Manaus and the State of in general.



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 8.46 a.m. and 6.10 a.m. Return trains from Petropolis by the Bay route leave daily at 7.30 a.m. and 5.45 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 5.25 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 Kiggenbach 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.



Personal News

Arrivals and Departures during the week:

ARRIVALS

Per s.s. *Thespis* from Manchester—Sidney Melbourne, F. A. I. Frid, Dr. O. A. Derby.

Per s.s. *Ortega* from Valparaiso—Robert Leyba, Alfred Oliver Tisdall, Evelyn Susan Tisdall.

Per s.s. *Bursa* from New York—P. E. Blaisdell, E. S. Davies, F. M. Downing, L. Glen, E. Hood, A. E. Huggins, Matsuo Itami, A. Kramet, V. Kramet, E. Lamb, P. E. Lohman, E. L. Nielly, R. Nielly, J. P. Pollard, E. Replodde, A. F. Ruttenentler, J. Sleeha, L. Stevens, E. C. Loheler, R. Zambelli, Dr. O. Feder.

Per s.s. *Thames* from Southampton—John James Impett, Fred George Sutcliffe, Henry Hampson, Margaret Donoghue, Arthur Spitzer, Percy Robinson.

Per s.s. *Amazon* from Buenos Aires—Wm. Theodor Maissner, Richard Macklin, Walter Murray.

DEPARTURES

Per s.s. *Ortega* for Liverpool—A. T. Davis, J. Heron, Charles Hue Per s.s. *Amazon* for Southampton—C. Croassy, W. I. Jackson, Daney Hartley, Madge Stuart, John Wear, James W. Badge.

Per s.s. *Thames* for Buenos Aires—Henry Hardman, James E. Nalbers, J. Brid, Th. Griffith, A. C. Foster, F. J. Oldes, John Louster, Ed. Farnier, J. M. Bayley, W. Carlson.

Per s.s. *Italian Prince* from New York—C. A. Taylor.

Correspondence

THE VALPARAISO EARTHQUAKE

Messrs. W. R. Grace & Co, in a circular letter dated August 27th give the following information:—

"We feel it necessary to give a succinct relation of the frightful calamity which befell Valparaiso on the night of 16th inst.

Three earthquakes, of great intensity, closely following each other, took place at about 8 p. m., and practically annihilated our flourishing city. Immediately, numerous fires resulted, and spread to a conflagration which finished much of the destruction originated by the earthquakes. There was an inadequate supply of water, and the firemen were utterly helpless to cope with the flames. The gas and electric light establishments were also damaged, so that, except for the light from burning buildings, the town was left in darkness. The consternation was terrible, the populace being utterly panic-stricken.

The shocks still continue, some violent, but gradually decreasing in both frequency and intensity; and since 16th inst., there have been fully 250 of them. This prolongation of the earth-tremors keeps the people in constant terror of fresh dangers. Also, several great fires, arising some days subsequent to the 16th inst., but served to add to the alarm, in the fear that the balance of the town might be swept out of existence.

A great mass of the people have had recourse to rough tents, or any form of hastily improvised shelter, wholly inadequate to withstand the heavy rain which fell on 23rd inst., greatly adding to their distress.

The military authorities took charge of the place immediately after the disaster, and the behaviour of officers and troops has been excellent. Martial Law was promptly proclaimed, and still continues, looters and incendiaries being shot mercilessly.

The first apprehensions of famine and thirst were soon allayed by the exemplary manner in which the authorities commandeered food supplies and established strict discipline in respect of the water service.

Now that some calm has returned to the city, it is possible to gather fairly reliable information.

The *Casualties* have been very heavy. The Mortality is fully 2,500 and the injured 45,000 cases. Many of the people still unaccounted for are doubtless entombed in the ruins, since bodies are constantly coming to light as excavations progress.

As to *Material Losses*, it is impossible to get at any close estimate yet of the "value" that has been destroyed. But our own personal observations, corroborated by other opinions, justify us in stating that not a single structure of any sort has escaped without some damage. In fact, we would summarise the damage to property in Valparaiso as:—

Absolutely wrecked and ruined by earthquake,	50%
Destruction finished by conflagrations, some immediately on the heels of the earthquakes and others in the succeeding 4/5 days,	25%
Buildings with damages, ranging from great to trifling, many of which will have to be razed,	25%

Taking the city as a whole,

Expressed in this way, the figures help to convey a graphic idea of the exceptionally severe nature of the calamity.

The Banking centre, with a few of the leading Commercial houses, is the section of the city which has escaped with least damage. Fortunately, our own office premises are within this limited area, so, beyond some trifling damage, our offices have escaped intact. Two of our warehouses, however, have been destroyed by fire.

From the first moment, all wire, and even railway, communication with the country at large, was cut off, and only a single cable to the North remained for communication abroad. Hence, two days elapsed before the tidings of the disaster got even so far as the Capital (Santiago). It was nearly a week before lines of communication were fairly reestablished; and railway traffic with the interior has but just been resumed, in a crippled fashion.

Although Valparaiso has been the centre of the disaster, the effects of the earthquakes have been widespread.

The suburb of Viña del Mar has suffered fully 50% destruction; and the neighbouring towns of Limache, Quillota, Casablanca and Llai-Llai have been almost ruined.

The city of Santiago was badly wrenched throughout; and the damage to buildings will involve an enormous sum for repairs.

The important towns of Talca, Curicó, Rancagua, and several others to the south of Santiago, have also undergone great damage.

In all these places, the casualty list has likewise been quite heavy.

The shake was felt severely as far south as Concepcion, with but little damage, however, in the latter city.

Naturally, the shock to Commercial and Financial circles has been great; but it is still impossible to measure what will be the extent. Several important Valparaiso firms, located in the ruined districts, are either made bankrupt or brought into serious difficulties; and there are numberless smaller concerns utterly wiped-out.

Of course, much will depend upon the action of the fire-insurance companies, which, so far, disclaim any responsibility under the Chilean form of policy.

But, our investigations satisfy us that the situation will be weathered without fatal consequences for the Banks. And we believe that the danger of a great financial panic is now over.

The great wealth-producing sections of the country, i.e. the North, with its Nitrate and Mining, the Centre, with its Agriculture, and the South, with its Forest and Pastoral resources, have escaped, and are all in such condition of high prosperity that their benefits will soon come to the rescue and fill up the "void" which Valparaiso and vicinity have to-day to face, because of the destruction of so much local "value".

Although our community was aghast and appalled in the first days of the calamity, it is with great satisfaction that we have now to record that to people of all classes courage and animation have returned. Already, much progress has been made in providing temporary shelter for the homeless, and provisional accommodation for business purposes; and the streets are rapidly being cleared of the enormous quantities of debris which impeded all traffic.

Sanitary precautions are also being taken, which it is hoped will secure us from the menace of pestilence.

The Chilean Government has voted a large sum to relieve the situation, and large contributions, both official and private, are coming in from abroad; so, with the help of the military organisation to distribute food supplies to the needy, the danger of famine has been tided over.

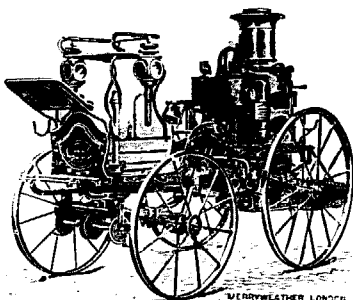
This spontaneous response by foreign countries, in such a moment of dire distress, is producing an excellent effect upon the Chilean people, and exciting their grateful appreciation.

Finally, it is some consolation to be able to report that with slight exceptions, our own large staff has escaped personal injuries, although here are still one or two of whom we are unable to obtain tidings.

We are grateful to those many friends who have enquired for news, and expressed their sympathy. Business is but just resuming, and we find it too difficult to make individual acknowledgment of all the enquiries we are receiving, that we beg of those friends who have been so kind as to exhibit concern about our welfare, to accept this as a general acknowledgment of their messages, coupled with our best thanks for their attentions.

Yours faithfully, — W. R. Grace & Co., J. F. Fowler, — Manager.

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DESENHOS E ORÇAMENTOS SERÃO FORNECIDOS AOS INTERESSADOS.

really ever much exceeded £5,000,000 or say £1,500,000 for each of the three weak months April, May and June.

During these months there are, it is true, not many bills, but there are always some and statistics show that never, even in the slackest time, does the value of any single month's exports fall to £2,000,000.

The requirements of the markets are believed to be about £3,000,000 to £4,000,000 per month, so that the shortage in April, May and June would have been about £1,500,000 to £2,000,000, as concluded above.

The matter is interesting because it throws a vivid light on the extraordinary manner in which exchange operations have been conducted and the tremendous risks run apparently only to put exchange up to an artificial level to the prejudice of the most vital interests of the country.

The consequences of such a policy were inevitable and are evidenced to day in schemes for "Valorization," "Fixation" and such like.

Last week the value of coffee bills alone was £850,000 as against only £717,000 last year, and for the season, i.e. from 1st July to 28 September bills to the value of nearly £7,000,000 have been sold in this and the Santos markets and yet exchange closed weak, every available bill being apparently still snapped up by the Banco do Brazil.

During the next eight weeks coffee will be feverishly shipped to avoid the increase of duties.

The supply of bills will, therefore, be very heavy though how it may affect rates is impossible to say with such exotic influences at work. After November there is likely to be a bull in shipments and coffee bills may be relatively scarce, but about that time rubber will begin to be active and help to make good the vacuum.

Still, December seems likely to be a weakish month unless the Coffee Syndicate should start buying again, as most likely would be the case.

Coffee shipments (*embarques*) here and at Santos yielded £853,400 against £648,000 for the previous week and £717,600 last year.

For the crop, clearances up to Sept. 28th show 412,875 bags more than last year, and the sterling value to have been £835,089 more.

London and Brazilian Bank. Telegrams from London State that the London and Brazilian Bank is paying a dividend of 10% per share for the six months ended July 31st equivalent to 10% per annum.

BUSINESS DONE ON THE RIO STOCK EXCHANGE

During the week ended September 29th, 1906

DESCRIPTION	Sales	Highest	Lowest	This week	Last	Date of last
GOVERNMENT SECURITIES						
Apollonia Gierres 5%	677	1:015	1:005	1:015	1:015	Sept. 2
Do Fraction 1890 4%	3741g	1:020	1:000	1:020	1:005	" 28
Internal Loan 1890 4%	58	1:007	1:005	1:007	1:005	" 26
Do 1895	96	1:008	1:005	1:007	1:006	" 27
Do 1903	111	1:018	1:012	1:012	1:013	" 26
Rio de Janeiro Municipal Loan, bearer	228	1895	1888	1898	1898	" 28
Do (1906)	599	1658	1638	1635	1635	" 28
Do (1906) (£20)	175	280	275	278	278	" 28
State of Rio de Janeiro 4 %	703	678	668	668	678	" 28
State of Minas, bearer	33	895	892	892	895	" 28
do order	50	898	892	892	895	" 28
BANKS						
Brazil	466	140	137	140	138	" 28
Commercial	323	134	131	134	131	" 28
Comercio	140	180	175	180	175	" 28
Uniao do Comercio	25	35	35	35	35	" 28
Lavoura e Comercio	50	128	128	128	128	" 28
Metropolitano	50	58	58	58	58	" 28
RAILWAYS & TRAMWAYS						
Jardim Botânico	118	228	228	228	228	" 28
Viação Saparáhy	1,558	2445	238	2485	238	" 28
COTTON BILLS						
Confiança Industrial	185	208	208	198	208	" 28
Brazil Industrial	113	215	210	212	210	" 28
INSURANCE						
Mercurio	120	398	398	398	458	" 28
Argos Fluminense	10	430	430	430	440	" 28
Confiança	60	508	508	508	458	" 28
DEBENTURES						
Jardim Botânico	584	208	208	208	208	" 28
Carris Urbanos	125	198	198	198	208	" 28
E. F. Theresopolis	8	208	208	208	208	" 28
Docas de Santos	25	208	208	208	208	" 28
Mercedo Municipal	33	170	170	170	170	" 28
Jornal do Commercio	10	198	198	198	198	" 28
Mel. em S. Paulo	60	170	170	170	170	" 28
MISCELLANEOUS						
Docas de Santos	74	320	318	320	320	" 28
Internacional de Docas	1,275	78	78	78	78	" 28
Terras e Colonização	400	385	385	385	385	" 28
Transporte e Carruagens	25	608	608	608	608	" 28

The total business done on the Rio de Janeiro Stock Exchange amounted to 1,808,846,000 distributed as follows:—

Government securities	1,251,991,000
Bank shares	140,534,000
Railway & Tramway shares	63,473,000
Cotton Mills	124,957,000
Insurance	11,990,000
Debentures	170,442,000
Miscellaneous	35,469,000

Total, week ending September 29th, 1906	1,808,846,000
" " " September 22nd, 1906	2,241,392,000
" " " September 30th, 1905	3,118,357,000

BUSINESS DONE ON THE S. PAULO STOCK EXCHANGE

During the week ended September 29th, 1906

DESCRIPTION	SALE	HIGHEST	LOWEST
S. Carlos Municipality	130	668000	658500
Campinas Municipality	15	778500	778500
SHARES			
Companhia Paulista	1,117	2604000	2528000
" Mogiana	555	2648000	2489000
" Seguros Paulista	50	808000	808000
" Melhoramentos de São Paulo	52	605000	605000
Companhia Telefonica	80	948000	948000
Banco Comercio e Industria	50	3208000	3208000
Banco S. Paulo	86	1288000	1278000
Banco Uniao de S. Paulo	533	548000	238000
MORTGAGE BONDS			
Banco Credito Real 6 1/2%	100	158000	158000
" " " 8 1/2%	50	158000	148500

The business done on the Sao Paulo Stock Exchange amounted to Rs. 507,801,000 distributed as follows:

Government Securities	9,727,000
Railway Shares	427,656,000
Banks	53,535,000
Miscellaneous	10,640,000
Insurance	4,000,000
Mortgage Bonds	2,243,000

507,801,000

CLOSING QUOTATIONS ON THE MONTREAL STOCK EXCHANGE

Montreal Prices

	SEPT. 6	SEPT. 9
Mexican Light and Power Co.	56 1/2	56 1/4
Sao Paulo Tramway Light and Power Co. Limited	137 1/2	136 3/4
Do 5 %	94 3/4	94 1/2
Rio de Janeiro Tramway Light and Power Co. Ltd.	76 3/4	77
Do Stock	45 1/8	45

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BEST REFERENCES

C. J. LEECH AND CO'S

Coffee Statistics 1906—1907

On Sale at "The Brazilian Review" Offices

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Coffee Market

COFFEE ENTRIES

	FOR THE WEEK ENDED			FOR THE CROP TO	
	Sept. 28 1906	Sept. 21 1906	Sept. 29 1905	Sept. 28 1906	Sept. 29 1905
Rio					
By Central Ry.	77,469	69,559	46,200	641,420	591,080
Leopoldina Ry.					
Inland	71,893	62,233	26,530	474,818	425,355
Coastwise, discharged	6,181	7,326	970	44,162	35,818
Total	154,512	139,126	73,702	1,161,400	1,063,253
Transferred from Rio de Niteroi	5,000	2,182	2,992	46,505	24,202
Net Entries at Rio	149,512	136,944	69,860	1,104,895	1,029,051
Coastwise, in transit	2,250	3,000	7,000	21,447	36,590
Niteroi from Rio & Leopoldina Ry.	12,430	1,897	5,142	80,162	56,743
Total Rio including Nite- roiy & transit	164,212	141,841	82,002	1,206,504	1,122,384
SANTOS:					
590,000	472,488	324,210	4,206,108	2,937,163	
Total Rio & Santos	603,222	614,559	406,212	5,415,522	4,059,817

The coast arrivals for the week ended September 28th were from:—

Muenhe	2,487
Itapemirim	1,334
S. Joao da Barra	904
S. Mathens	324
Ignape	80
Alcobaga	50

Total..... 5,181 bags.

The total entries by the different S. Paulo Railways for the Crop to September 28th 1906 were as follows:—

	Past Jundiahy	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remainder at S. Paulo
1906/1907	3,818,304	424,204	4,242,508	4,206,108	36,400
1905/1906	2,722,224	244,234	2,966,458	2,937,463	28,995

COFFEE LOADED (EMBARQUES)

	FOR THE WEEK ENDED			FOR THE CROP TO	
	1906 Sept. 28	1906 Sept. 21	1905 Sept. 29	1906 Sept. 28	1905 Sept. 29
Rio	93,005	92,004	77,703	752,074	875,888
Niteroi	738	13,937	10,218	62,154	46,272
In transit	2,250	3,000	7,000	21,447	36,590
Total Rio including Niteroi & transit	96,003	109,941	94,921	835,675	958,750
Santos	344,280	244,607	264,268	2,936,463	2,937,163
Total Rio & Santos	440,283	354,548	359,189	4,772,138	4,895,913

Rio de Janeiro, September 29th, 1906.

Entries at Rio and Santos for the week ending September 28th were 78,713 bags more than for the previous week and 287,010 more than for the corresponding week last year.

For the crop, entries reached 5,415,522 bags against 4,059,817 bags at the corresponding date last year.

Shipments (*embarques*) were 106,970 bags more than the previous week, and 74,019 bags more than the corresponding week last year.

The average price for Rio No. 7 was 48704 against 48513 in the previous week and 48698 last year; and at New York it was 8.32 cents against 8.29 cents for the previous week and 8.76 cents last year.

Stocks increased by 288,765 bags and are 618,741 bags more than last year and 265,871 bags more than in 1904.

Santos entries are 57,551 bags more than in the previous week, and exceeded shipments by 195,921 bags. The daily average for the week (6 days) was 88,334 bags.

On the basis of comparative entries to September 28th this year and last the crop should be as follows:—

Rio	107,870 of	3,406,035	=	3,671,700
Santos	143,570 of	6,282,885	=	10,000,461
		10,388,920		13,692,167
Other ports (say)				700,000
Total probable entries				14,392,167

The news of the week is the formation of a Syndicate or, as it is called here, a Trust, to keep up coffee prices.

The basis of the operation seems somewhat vague, but as far as can be judged from telegrams received from London the Government of São Paulo has made arrangements in London, New York, Havre and Hamburg to borrow £4,000,000 at 91 % i.e. £3,640,000 net.

This money, we understand, will be used, if necessary, to provide 20 % margin on coffee that will be bought here on instructions and be shipped and held by the associated firms on Government account. With £3,600,000 it would be possible at

an average of £2 per bag to buy some 7,000,000 bags of coffee and keep them off the market and thus secure better prices for the balance of the enormous current crop (which is estimated at anything between 14,000,000 and 16,000,000 bags) and maintain prices during the coming 1907/1908 crop, should it prove as small as anticipated.

The situation would then be as follows:—

Visible supply July 1st, 1906	10,000,000
Entries say (maximum)	16,000,000
Other countries	4,000,000
	30,000,000
Consumption	17,000,000
Retained	7,000,000
	24,000,000
Visible supply on June 30th 1907	6,000,000
Entries Santos (maximum)	5,500,000
Entries Rio and other ports	4,500,000
Other countries	4,000,000
	14,000,000
Consumption	20,000,000
	17,000,000
Visible supply 30th June 1908	3,000,000

It is popularly believed that if the visible supply could be reduced in this way prices would go up, if not to the fancy prices of 1890 when they touched 132 francs, at least very much higher than they are at present.

But for that a bull speculation would be essential, which, with the prospect of the 7,000,000 bags held by the Government being thrown any day on the market, does not seem very likely.

Speculation, if there were any, would under such circumstances be for the fall and dealers would only buy for current requirements.

To force and maintain a rise of prices in the face of enormous Government stocks it would be necessary to buy up all the available coffee and monopolize the market.

This would mean taking 6,000,000 bags more off the market in the course of the next eight months, half of which would be probably resold during the subsequent crop of 1907/1908.

The danger, of course, lies in the possibility of the 1907/1908 crop being much larger than is anticipated.

Supposing, however, planters to be contented with a fair working profit and that there is no attempt to push prices beyond £2, or 32\$000 per bag, (which seeing they are already at 28\$800 will probably be attained) let us see what would be the gain to planters to offset a possible loss to the State.

Were no coffee taken off the market it is almost certain that prices would fall to 25\$000 per bag and that the balance of the crop (some 13,000,000 bags) would be marketed at most at an average of 26\$750, the mean between the minimum price of 1903 and that current before the present improvement set in:

At 26\$750 per bag the value of 13,000,000 bags would be	347,776,000\$000
At £2 and 15d. exchange or 32\$000 per bag they would fetch	416,000,000\$000

Difference..... 68,224,000\$000

Equal at 15d. exchange in round numbers to..... £4,300,000

and would represent planters' profits on the transaction minus the cost of carrying the same, which would be defrayed out of the surtax of 3 francs per bag.

Should prices rise over 32\$000 or £2 per bag, planters' profits would be proportionately larger.

The weak point lies in the question whether buying at higher prices per bag can be forced on consumers before the existing supplies, amounting to some 10,000,000 bags, are quite used up.

It now seems pretty certain that the purchase of coffee by Nathan and Co. was not on account of the São Paulo Government but for private account in combination with the Bank of Brazil.

So far no coffee is believed to have been shipped here for the Syndicate's account, nor, so long as prices go up of themselves, does it seem necessary that there should be. When prices begin to fall it will be time enough to buy.

So far, the other two States, Rio de Janeiro and Minas, have not decreed the 3 franc surtax.

After reaching 7\$400 per arroba prices fell on Saturday to 7\$000, week.

It is difficult to get news of the flowering at S. Paulo but it is generally believed to have been irregular. In Minas and Rio it is reported as very good in some places and bad in others. The trees, however, in Rio and Minas in seem good condition but in São Paulo are reported as looking weak and exhausted.

There is likely to be an enormous movement of coffee from now to the end of November for Europe, no room being obtainable in regular steamers a number outsiders are being chartered. Coffee freights are consequently very firm. For New York, boats are going nearly empty, the market there having as much coffee as it wants.

The new plan may have its drawbacks, but it is infinitely superior to the original proposal to borrow £15,000,000 and lock it up in coffee bought at fixed rates far above the market value.

	Commissioners' Prices	Shippers' Prices
September 24	6\$600 to 6\$700	6\$600 to 6\$700
" 25	6\$700	6\$800 to 6\$900
" 26	7\$000 to 7\$100	6\$900 to 7\$000
" 27	7\$000	7\$200
" 28	7\$200	7\$100 to 7\$200
" 29	7\$000 to 7\$100	7\$000

Weekly Report of the Companhia Registradora de Santos. Sales registered on the basis of New York Exchange Standard No. 4.

By Cable:—

Sales for the week ending Sept. 29th.....	178,000 bags
Closing quotations for October.....	48825
" " November	48825
" " December.	48825

MANIFESTS OF COFFEE

During the Week ended September 28th, 1906

RIO DE JANEIRO

DATE	NAME OF VESSEL	DESTINATION	SHIPPERS	BALES	TOTAL
Sep. 22	<i>P. de Moraes</i>	Curumbá.....	Manoel P. Teixeira	20	
"	"	do	Siqueira & Co.....	350	
"	"	do	do	250	
"	"	S. Francisco.....	do	100	730
" 22	<i>San Nicolas</i>	Rotterdam.....	Carlo Pareto & Co.....	500	
"	"	do opt.....	do	500	
"	"	Hambourg opt.....	Ornstein & Co.....	500	
"	"	do do.....	Eugen Urban.....	1,000	
"	"	Copenhague.....	Ornstein & Co.....	250	
"	"	do	Pinto & Co.....	1,250	
"	"	East London.....	Ornstein & Co.....	250	4,500
" 23	<i>Olinda</i>	Pernambuco.....	Pinto & Co.....	75	
"	"	Maranhão.....	do	150	
"	"	Para.....	Siqueira & Co.....	100	
"	"	do	Pinto & Co.....	150	
"	"	do	J. Dias & Irmão.....	250	
"	"	Mamões.....	Zenha, Ramos & Co.....	20	
"	"	do	Eugen Urban.....	45	
"	"	Tutuya.....	Zenha Ramos & Co.....	40	1,192
" 23	<i>Florianopolis</i>	Porto Alegre.....	Siqueira & Co.....	500	
"	"	do	Castro Silva & Co.....	4,800	5,300
" 23	<i>Mossorô</i>	Pernambuco.....	Siqueira & Co.....	110	
"	"	do	Ornstein & Co.....	400	
"	"	Ceará.....	Siqueira & Co.....	250	
"	"	Para.....	Zenha, Ramos & Co.....	810	
"	"	do	Ornstein & Co.....	1,175	3,010
" 24	<i>Argentina</i>	Constantinople.....	Gustav Trinks & Co.....	375	
"	"	do	Theodor Wille & Co.....	250	
"	"	do	Pinto & Co.....	500	
"	"	Galatz.....	Gustav Trinks & Co.....	125	
"	"	Freiburg.....	do	125	
"	"	Genoa.....	Theodor Wille & Co.....	250	
"	"	do	Sandry.....	10	
"	"	do opt.....	Carlo Pareto & Co.....	750	
"	"	Salonica.....	Theodor Wille & Co.....	875	
"	"	Odessa.....	do	750	
"	"	Smyna.....	do	250	4,250
" 25	<i>Amazon</i>	Algon Bay.....	Pinto & Co.....	250	
"	"	Christiana.....	Eugen Urban.....	250	
"	"	Stockholm.....	do	250	
"	"	London.....	Sundry.....	113	813
" 26	<i>Thames</i>	East London.....	Hard, Rand & Co.....	500	
"	"	Burban.....	Norton, Megaw & Co.....	50	
"	"	Buenos Aires.....	do	50	
"	"	do	Ornstein & Co.....	1,450	
"	"	do	A. J. P. Clarkson & Co.....	325	
"	"	Montevideo.....	Zenha, Ramos & Co.....	111	
"	"	do	Ornstein & Co.....	100	2,736
" 26	<i>Sigmund</i>	New York.....	Theodor Wille & Co.....	9,000	9,000
" 26	<i>Nivernais</i>	Marseilles.....	Carlo Pareto & Co.....	1,500	
"	"	do do opt.....	do	750	
"	"	do do do	Ornstein & Co.....	2,125	
"	"	do do do	Theodor Wille & Co.....	1,375	
"	"	do do do	Hard, Rand & Co.....	500	
"	"	do do do	Eugen Urban.....	500	
"	"	do do do	Gustav Trinks & Co.....	375	
"	"	do do do	C. Dabelow.....	2,000	
"	"	Algiers.....	Gustav Trinks & Co.....	125	
"	"	do	C. Dabelow.....	125	
"	"	do	Pinto & Co.....	125	
"	"	do	Ornstein & Co.....	250	
"	"	Oran.....	do	2,800	
"	"	do	C. Dabelow.....	250	
"	"	do	Gustav Trinks & Co.....	125	
"	"	Philippeville.....	Ornstein & Co.....	525	
"	"	do	Gustav Trinks & Co.....	125	
"	"	Bone.....	Ornstein & Co.....	375	
"	"	Tunis.....	C. Dabelow.....	125	
"	"	Constantinople.....	Gustav Trinks & Co.....	1,250	
"	"	do	C. Dabelow.....	375	
"	"	do	Ornstein & Co.....	125	
"	"	do	Theodor Wille & Co.....	125	
"	"	Salonica.....	do	500	
"	"	Smyna.....	Gustav Trinks & Co.....	500	
"	"	Odessa.....	Carlo Pareto & Co.....	250	
"	"	Aivali.....	do	500	
"	"	Motaganem.....	Gustav Trinks & Co.....	125	
"	"	Galatz.....	Ornstein & Co.....	125	18,3
" 27	<i>Italian P. inc.</i>	New York.....	W.F. McLaughlin & Co.....	3,572	
"	"	do	Gustav Trinks & Co.....	2,000	
"	"	do	J. P. Nielson & Co.....	1,500	
"	"	do	C. Dabelow.....	1,500	
"	"	do	Ornstein & Co.....	1,000	
"	"	do	Pinto & Co.....	1,000	
"	"	do	Carlo Pareto & Co.....	500	11,072
" 27	<i>Itaperuna</i>	Rio Grande.....	Zenha, Ramos & Co.....	160	
"	"	do	Siqueira & Co.....	350	
"	"	Paraguassú.....	do	21	
"	"	Pelotas.....	Zenhu, Ramos & Co.....	603	
"	"	do	Siqueira & Co.....	550	
"	"	Porto Alegre.....	Zenha, Ramos & Co.....	205	
"	"	do	Siqueira & Co.....	1,013	
"	"	do	Eugen Urban.....	82	2,983
			Total.....		64,027

SANTOS

DATE	NAME OF VESSEL	DESTINATION	SHIPPERS	RAIS	TOTAL
Sept. 22	<i>Italian Prince</i>	New York.....	E. Johnston & Co.....	11,000	
"	do	do	Zerrenner Bulow & Co.....	10,625	
"	do	do	Prado, Chaves & Co.....	9,000	
"	do	do	Hard, Rand & Co.....	5,353	
"	do	do	Barbosa & Co.....	3,000	
"	do	do	W. F. McLaughlin & Co.....	2,231	
"	do	do	Holworthy Ellis & Co.....	1,250	
"	do	do	N. Gepp & Co. Ltd.....	1,250	
"	do	do	Krische & Co.....	750	
"	do	do	Nossack & Co.....	750	45,214
" 23	<i>Argentino</i>	Barcelona.....	N. Gepp & Co Ltd.....	1,000	
"	do	do	Nossack & Co.....	375	
"	do	do	Barbosa & Co.....	250	
"	do	do	Prado, Chaves & Co.....	250	
"	do	do	E. Johnston & Co.....	250	
"	do	do	Baldwin & Co.....	500	
"	do	Malaga.....	Krische & Co.....	500	
"	do	do	W. Hotel & Co.....	500	
"	do	do	Nossack & Co.....	300	
"	do	Cadix.....	N. Gepp & Co. Ltd.....	500	
"	do	do	Barbosa & Co.....	250	
"	do	Valencia.....	Nossack & Co.....	300	
"	do	do	W. Hotel & Co.....	250	
"	do	Santander.....	Krische & Co.....	250	
"	do	Gibraltar.....	Alves Lima & Co.....	150	
"	do	Cartagena.....	Sundry.....	52	
"	do	Vigo.....	do.....	2	5,411
" 25	<i>Amazon</i>	London.....	Geo. W. Ennor.....	7,125	
"	do	do	N. Gepp & Co. Ltd.....	750	
"	do	do	E. Johnston & Co.....	50	
"	do	Southampton.....	Hard Rand & Co.....	500	
"	do	do	Sundry.....	5	8,395
" 26	<i>Bologna</i>	Genoa.....	Diogenes Ferreira & Co.....	2,000	
"	do	do	Nossack & Co.....	1,250	
"	do	do	Theodor Wille & Co.....	500	
"	do	do	J. Maffei & Teixeira.....	325	
"	do	do	Barbosa & Co.....	250	
"	do	do	Prado Chaves & Co.....	250	
"	do	do	F. Martinelli & Co.....	20	
"	do	do	Sundry.....	11	
"	do	Smyrna.....	Nossack & Co.....	250	
"	do	do	Hard, Rand & Co.....	250	
"	do	Metelin.....	do.....	125	
"	do	Naples.....	Diogenes Ferreira & Co.....	100	
"	do	do	Sundry.....	15	
" 26	<i>Melpomene</i>	Trieste.....	Theodor Wille & Co.....	11,500	
"	do	do	N. Gepp & Co. Ltd.....	9,000	
"	do	do	Hard, Rand & Co.....	4,250	
"	do	do	Prado, Chaves & Co.....	2,500	
"	do	do	E. Johnston & Co.....	1,750	
"	do	do	Zerrenner Bulow & Co.....	1,000	
"	do	do	Baldwin & Co.....	750	
"	do	do	Barbosa & Co.....	500	
"	do	do	Holworthy Ellis & Co.....	500	
"	do	do	G. da Fonseca & Co.....	500	
"	do	do	W. Hotel & Co.....	250	
"	do	do	Prado, Lima & Co.....	250	
"	do	Fiume.....	Theodor Wille & Co.....	1,250	
"	do	Venice.....	do.....	500	34,500
" 26	<i>Thames</i>	Buenos Aires.....	Krische & Co.....	1,255	
"	do	do	Hard, Rand & Co.....	100	
"	do	Montevideo.....	Sundry.....	25	1,380
" 27	<i>Roskum</i>	Antwerp.....	N. Gepp & Co. Ltd.....	6,500	
"	do	do	Hard, Rand & Co.....	1,250	
"	do	do	Zerrenner Bulow & Co.....	750	
"	do	do	Prado, Chaves & Co.....	500	
"	do	do	Baldwin & Co.....	250	
"	do	Bremen.....	Prado Chaves & Co.....	4,750	
"	do	do	E. Johnston & Co.....	1,000	
"	do	do	N. Gepp & Co. Ltd.....	500	
"	do	do	Theodor Wille & Co.....	250	12,750
" 27	<i>S. Paulo</i>	Hamburg.....	N. Gepp & Co.....	20,250	
"	do	do	Nathan & Co.....	12,000	
"	do	do	Krische & Co.....	7,575	
"	do	do	Prado Lima & Co.....	5,000	
"	do	do	Prado, Chaves & Co.....	4,750	
"	do	do	E. Johnston & Co.....	4,000	
"	do	do	Barbosa & Co.....	3,000	
"	do	do	Schmidt & Trost.....	620	
"	do	do	Holworthy Ellis & Co.....	500	
"	do	do	Zerrenner Bulow & Co.....	135	57,680
" 27	<i>Norman Prince</i>	New Orleans.....	Baldwin & Co.....	10,000	
"	do	do	Zerrenner Bulow & Co.....	9,000	
"	do	do	Prado Chaves & Co.....	7,750	
"	do	do	Barbosa & Co.....	3,000	
"	do	do	Nossack & Co.....	2,000	
"	do	dp	Hard, Rand & Co.....	1,000	
"	do	do	E. Johnston & Co.....	750	33,500
			Total.....		204,317

The coffee sailed during the week ended September 28th, was consigned to the following destinations:

	UNITED STATES	EUROPE & MEDITERRANEAN	COAST	RIVER PLATE	CAPK	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio.....	20,072	28,301	13,905	2,736	—	—	64,414	817,320
Santos...	78,714	124,233	—	1,360	—	—	204,317	2,676,511
Total 1906/1907	92,786	152,534	13,905	4,116	—	—	268,731	3,494,231
1905/1906	190,176	176,999	2,785	1,851	—	—	371,811	3,087,009

The *New York Journal of Commerce* of September 5th says "Eugen Nortz cabled from Havre "Valorisation worshippers, having sold out and many even gone short, think buying 'wise' policy now. Rainy season in Brazil rather prolonged (delayed?)"

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS

Week ended

	Sept. 25	Sept. 21	Sept. 25	Sept. 21	Crop to Sept. 25
	Bags	Bags	£	£	Bags
Rio.....	51,199	86,058	101,047	170,387	738,917
Santos.....	201,317	220,883	400,507	442,481	2,656,262
Total 1906-1907.....	255,425	306,941	501,554	612,868	3,415,209
do. 1895-1906.....	316,687	421,520	636,859	840,780	3,062,334
					6,121,230

S. Paulo, 29th September 1906.

The negotiations of the Government for the maintenance of the coffee market have at last taken a definite shape and the trade will have to reckon with this newly created factor, which after all will only supplement and to a certain extent assume the functions of the arbitrazist in former crops, with the however very important difference of not selling future months against holdings or imports.

The weight of the merchandise and its financing is consequently not distributed on many shoulders and that appears to us a serious flaw in this truly gigantic operation.

The firm which negotiated this deal though offer the greatest possible guarantees for a really commercial and business-like execution of the Government plans and we have now to watch which standpoint consumption on one side, production on the other, will take.

Simultaneously with the disclosure of the Government's achievements a decree was published imposing the surtax of Frs 3 per bag on all coffee shipped from December 1st onward. So far we have not heard whether Minas and Rio will accompany our State Government as far as this measure goes. It appears to us though absolutely indispensable for the successful carrying through of the valorisation campaign.

The Santos market was extremely agitated and large transactions were done at rising prices; £8950 was paid for future delivery of type No. 4, but soon the desire to sell became too strong and prices receded 150 *reis*. The movement in spot coffees was similar and the week closes with a rise of about 200 *reis* on last week's quotations.

European importers bought only sparingly and limits were mostly insufficient.

The fall of exchange however has evidently facilitated business today so that we can look forward to larger shipments next week.

Superior was sold at 39 1/2 to 39 6 c&f and in a few exception at 40/ to 40 6.

Receipts have been extremely heavy, about 550,000 bags, and indications are for continuance on the same scale during the next month.

As total arrivals between Rio and Santos amount to about 2,400,000 bags, it can be safely predicted that the increase of the visible supply will amount to at least 1 million bags.

Heavy, and in some parts tempestuous, rains were reported from the interior during the first days of the week and a good flowering was reported from the Ribeirão Preto district.

OUR OWN STOCK

RIO: Stock on September 21.....	493,911
Entries during week ended September 28.....	148,543
	642,454
Loaded (Embarques) and consumption for the month.....	98,000
Stock in Rio on September 28.....	544,454
Stock at Nietheroy and Afloat on September 21.....	109,916
Entries at Nietheroy plus total embarques including transit.....	108,473
	218,389
Deduct: embarques at Nietheroy and sailings during the week.....	65,279
Stock at Nietheroy and afloat on Sept. 28.....	153,110
Stock in 1st and 2nd hands and those at Nietheroy and afloat on September 28.....	697,568
SANTOS: Stock on September 21.....	1,590,946
Entries for week ended September 28.....	530,009
	2,120,955
Loaded during same week.....	334,985
Stocks in Santos on September 28.....	1,785,970
Stocks in Rio and Santos on September 28th, 1906.....	2,483,538
do do on September 21st, 1906.....	2,194,773
do do on September 29th, 1905.....	1,864,797

FOREIGN STOCKS

	Sept. 22 1906	Sept. 15 1906	Sept. 23 1905
United States Ports.....	2,894,000	2,776,000	3,506,000
Havre.....	1,782,000	1,801,000	2,228,000
Both.....	4,676,000	4,577,000	5,734,000
Deliveries United States	96,000	83,000	143,000
Visible Supply at United States ports.....	3,472,000	3,420,000	4,130,000

MONTHLY ENTRIES

IN BAGS OF 60 KILOS

MONTHS	RIO		SANTOS		BOTH	
	1906-1907	1905-1906	1906-1907	1905-1906	1906-1907	1905-1906
July.....	260,860	250,621	859,317	608,474	1,120,177	919,097
August.....	389,725	424,857	1,590,121	1,127,172	1,980,149	1,552,029
September.....	591,243	459,458	1,842,928	1,198,362	2,433,271	1,657,800
October.....	—	542,149	—	1,118,091	—	1,561,714
November.....	—	392,291	—	872,614	—	1,304,335
December.....	—	259,134	—	565,168	—	807,391
January.....	—	149,184	—	280,522	—	421,016
February.....	—	107,511	—	252,840	—	349,351
March.....	—	115,120	—	232,000	—	377,129
April.....	—	167,571	—	219,811	—	371,415
May.....	—	314,611	—	179,645	—	485,255
June.....	—	159,257	—	265,000	—	432,856
Total for the crop.....	1,211,828	3,406,025	1,291,769	6,582,885	5,533,597	16,388,920

COFFEE PRICE CURRENT

For the week ended September 28th, 1906

DESCRIPTION	Sept. 22	Sept. 24	Sept. 25	Sept. 27	Sept. 28	Averages
RIO N. 6 per 10 kilos.....	4.630	4.638	4.638	4.592	4.592	4.622
do. N. 7.....	4.630	4.638	4.638	4.592	4.592	4.622
do. N. 8.....	4.630	4.638	4.638	4.592	4.592	4.622
SANTOS Superior per 10 kilos.....	4.430	4.429	4.429	4.403	4.403	4.431
do. Grand Average.....	4.431	4.431	4.431	4.403	4.403	4.433
N. YORK per 10 lbs.....	8 1/4	8 1/4	8 1/4	8 1/8	8 1/8	8 3/8
HAVRE per 50 kilos.....	45.50	45.75	45.75	47.25	47.25	46.42
HAMBURG per 50 lbs.....	37.25	37.25	37.00	38.25	38.25	37.75
LONDON per 100 lbs.....	36.3	36.3	36.3	37.4	37.4	36.1

SALES OF COFFEE for the week ending

	Sept. 28/1906	Sept. 21 1906	Sept. 29 1905
Rio.....	118,000	135,000	65,000
Santos.....	311,750	361,480	291,230
Total.....	432,750	496,480	256,230

Messrs. C. J. Leech & Co's, Weekly Market Letter of September 1st says:—

"The speculative markets have been exceedingly depressed this week under the combined influences of the September liquidation, and the colossal receipts in Santos on Thursday no less than 84,000 Bs, and despite further buying of September delivery in Hamburg & Havre by the so called German combination, the month in question has been the weakest of all, demonstrating once more the folly of postponing realizations of a maturing month until the last moment. The buying up of September delivery has continued to puzzle operators, and all sorts of reports have been current, but nothing reliable ascertained. On this subject Messrs. Duuring & Zoon in their monthly circular state "On the other hand German & other Bankers seem to have furnished a couple of Million pounds, either against Treasury Bills to be refunded out of a Valorization loan or otherwise, but no particulars or terms have transpired. As a matter of fact however, large purchases have been made in the Hamburg & Havre terminal markets of some 300,000 Bs September delivery at running values and without even trying to boom the market, delivery being obtained of the merchandize. The object apparently is to force the Trade to buy more freely in the Santos market. This accounts for the heavy shipments now being made to Hamburg, alleviating Brazilian markets and sustaining C&F values, until unfavorable crop reports should give a fresh stimulus. The opinion now prevailing in that Country is towards a smaller crop". The foregoing probably gives as closely as possible the explanation of the Hamburg action, and is in fact what we suggested a fortnight ago. Apart from this action nothing has been heard of Valorization. As regards receipts, as stated above, Thursday total was the gigantic one of 84,000 Bs Santos but the weeks receipts at that port are nevertheless less than those of last week."

PURGEN—The ideal aperient.

HOURS OF RAINFALL

(By favour of the Leopoldina Railway)

SEPTEMBER	20th.	21st.	22nd.	23rd.	24th.	25th.	26th.	TOTAL
STATIONS	Heavy	Light	Heavy	Light	Heavy	Light	Heavy	Light
S. Francisco Xavier	4	1	1	8	23	1	2	4
Pilar	12	1	1	12	12	1	20	32
Machado	12	1	1	18	6	16	1	50
Rio de Janeiro	12	1	1	12	12	20	1	56
Petropolis	12	1	1	12	12	20	1	56
Areal	12	1	1	12	12	20	1	56
S. José do Rio Preto	12	1	1	12	12	20	1	56
Itapecuru	12	1	1	12	12	20	1	56
Serra da Estrela	12	1	1	12	12	20	1	56
Sorocaba	12	1	1	12	12	20	1	56
Ribeirão	12	1	1	12	12	20	1	56
Faetano de Campos	12	1	1	12	12	20	1	56
Paranaíba	12	1	1	12	12	20	1	56
Elizópolis	12	1	1	12	12	20	1	56
S. Geraldo	12	1	1	12	12	20	1	56
Teófilo	12	1	1	12	12	20	1	56
P. Nova	12	1	1	12	12	20	1	56
Santa Luzia	12	1	1	12	12	20	1	56
Niterói	12	1	1	12	12	20	1	56
P. das Caixas	12	1	1	12	12	20	1	56
Cachoeira	12	1	1	12	12	20	1	56
Ita de Itaipava	12	1	1	12	12	20	1	56
Ita de Itaipava	12	1	1	12	12	20	1	56
Santa Luzia	12	1	1	12	12	20	1	56
Porto Novo	12	1	1	12	12	20	1	56
V. Grande	12	1	1	12	12	20	1	56
Ribeirão	12	1	1	12	12	20	1	56
Itapecuru	12	1	1	12	12	20	1	56
Catagés	12	1	1	12	12	20	1	56
Miraflores	12	1	1	12	12	20	1	56
Itapecuru	12	1	1	12	12	20	1	56
S. Paulo	12	1	1	12	12	20	1	56
Porto Alegre	12	1	1	12	12	20	1	56
Santa Luzia	12	1	1	12	12	20	1	56
Cordão	12	1	1	12	12	20	1	56
Maçudo	12	1	1	12	12	20	1	56
Lorandeiros	12	1	1	12	12	20	1	56
Tres Ilhas	12	1	1	12	12	20	1	56
Paraíba	12	1	1	12	12	20	1	56
Capivari	12	1	1	12	12	20	1	56
Indaial	12	1	1	12	12	20	1	56
Macaré	12	1	1	12	12	20	1	56
Glycerio	12	1	1	12	12	20	1	56
C. Aracuanã	12	1	1	12	12	20	1	56
Trinópolis	12	1	1	12	12	20	1	56
M. Moraes	12	1	1	12	12	20	1	56
Campos	12	1	1	12	12	20	1	56
S. Friburgo	12	1	1	12	12	20	1	56
S. Branca	12	1	1	12	12	20	1	56
Atafona	12	1	1	12	12	20	1	56
Murumbi	12	1	1	12	12	20	1	56
Munquy	12	1	1	12	12	20	1	56
M. Freitas	12	1	1	12	12	20	1	56
Paraisópolis	12	1	1	12	12	20	1	56
Itaperuna	12	1	1	12	12	20	1	56

Sugar Market

The following are the closing quotations on Sept. 20th at Campos, Sergipe, Pernambuco and Bahia.

CAMPOS			
White crystal	210 to 220		
Yellow crystal	170		
Mascavinhos	160 to 180		
Mascavo	none		
SERGIPE			
White crystal	none		
Yellow crystal	•		
Mascavinhos	•		
Mascavo good	140		
• regular	130 to 135		
• medium	120		
PERNAMBUCO			
White uzima	none		
• crystal	•		
• 3 ^d sorte	180 to 190		
Somenos	150 to 160		
Yellow crystal	160 to 165		
Mascavinhos	none		
Mascavo good	140		
• regular	130 to 135		
• medium	120		
BAHIA			
White crystal	200 to 210		
Segunda facto	none		
Entries from 1st inst. to date	80,048 bags		
Clearances ditto	82,445		
Stock	257,492		
— Market steady.			

MANIFESTS OF SUGAR

Shipped during the week ended September 15th, 1906 from Macaré

DATE	NAME OF VESSEL	DESTINATION	SHIPPERS	BAGS	TOTAL
Sep. 10	S. Salvador	Victoria	Silva & Pêra Pinto	50	
11	Alana	Enedro	Pedro Vianna & Co.	16	
11	Camocim	Santos	Pohlmann & Co.	1,400	
12	Brasão	Caná	Silva & Pêra Pinto	30	
13	Camocim	Santos	do	1,500	
14	F. Varela	do	do	1,000	
Total					3,996

Pernambuco, September, 20th 1906.

The entries of new are not large yet, but about 6,000 bags of the Yellow Crystals sold have come down, making the total entry to 15th about 6,340 bags, there was a good enquiry from consuming markets beginning of last week and some sales might have been made for future delivery at fair prices but as usual sellers hold off, and new markets both in States and Liverpool have become flat and prices given way 3d. to 4d. 24., no doubt the decision of States Government to interfere in Cuba has a good deal to do with this as guarantees that the troubles there will soon be settled and in any case there will be no more damage done to the plantations.

Only reported sale is 2,000 bags old brutto Secora at \$1450, a very good one for sellers and today quite 1 — above the market. Raw crystals \$1900 to \$1950 was at one time obtainable, but today even with the lower exchange it is doubtful if \$1900 would be paid for export. The home markets are very slack and shipments for fortnight are only about 18,000 bags to Rio & Santos, nothing to other ports to speak of, so far nothing done in Guyana but offers were as high as \$1350 to \$1400 for today this is 10d at least too high. Outside the Cuba troubles the position of Sugar by the last advices from Europe was decidedly better owing to the enormous consumption past year and a fear that the beet will not turn out quite so satisfactorily as at one time expected, the weight of the beets being less than at same time last year and the saccharine also giving about 4% less, and with the hot weather prevailing on Continent this latter may eventually decrease even more, but it will be end October before the real position can be known.

Today's quotations are as under with very little enquiry.

Usinas	3500 to 4000 per 15 kilos on shore
Crystal white	2500
• yellow	2500
Whites (a. hon.)	3500 to 3800
• 3a regular	2500 to 2800
Somenos	1800
Clayed	1500
Bruto Secora	1500
• melado	1510 to 1520

Clearances during the fortnight have been Rio 4,991 bags, Santos 13,266 bags, and Liverpool 3,268 bags.

Sugar crops of the world. These figures include local consumption of home production wherever known.

Willet & Gray's estimates of cane sugar crops, Aug. 30, 1906.

	Crop begins	1905-06	1904-05	1903-04
United States — Louisiana	September	330,000	335,000	215,000
Texas	•	22,000	15,000	15,000
Porto Rico	January	200,000	145,000	13,000
Hawaiian Islands	November	50,000	340,575	328,503
Cuba, crop	December	1,240,000	1,163,258	1,040,228
British West Indies — Trinidad	January	15,000	28,000	44,058
Barbados, exports	•	32,000	41,000	58,081
Jamaica, crop	•	18,000	16,000	14,255
Antigua & St. Kitts	•	21,000	24,000	24,000
French West Indies — Martinique	•	33,000	29,586	23,336
Guadeloupe	•	26,000	36,000	35,976
Danish West Indies — St. Croix	•	13,000	11,000	13,000
Haiti and San Domingo	•	50,000	47,000	47,000
Lesser Antilles, not named above	•	13,000	13,000	13,000
Mexico, crop	December	105,000	107,000	107,347
Central America — Guatemala, crop	January	8,000	7,400	7,400
San Salvador, crop	•	6,000	5,588	6,300
Nicaragua, crop	•	5,000	4,245	4,235
Costa Rica, crop	•	3,000	2,305	3,275
South America — Demerara, exports	Oct. & May	115,000	101,278	113,282
Surinam, crop	October	14,000	13,000	13,000
Venezuela, crop	•	3,000	3,000	3,000
Peru, crop	•	150,000	150,000	181,957
Argentine Republic, crop	June	137,308	128,104	142,835
Brazil, crop	October	275,000	195,000	197,000
Total in America		3,186,398	3,002,508	2,736,568
Asia — British India, exports	December	15,000	30,000	15,000
Siam, crops (30,000 tons, mostly imported)	•	•	•	•
Java, crop	May	993,300	1,003,900	885,561
Japan (cons'n 200,000 tons, mostly imported)	•	•	•	•
Philippine Islands, crop	December	135,625	106,575	84,000
China (cons'n large, mostly imported)	•	•	•	•
Total in Asia		1,144,925	1,145,775	984,561
Australia & Polynesia, Queensland	June	165,000	147,688	91,823
New South Wales	•	18,000	20,000	21,500
Fiji Islands, exports	•	40,000	47,000	50,000
Total in Australia & Polynesia		213,000	214,688	163,323
Africa — Egypt, crop	January	65,000	60,000	60,000
Mauritius	August	200,000	142,101	230,589
Reunion	September	30,000	30,000	41,117
Total in Africa		295,000	232,101	321,706
Europe — Spain	December	15,000	18,000	18,000
Total cane sugar crops (W. & G.)		4,853,838	4,613,172	4,234,203
Europe Beet sugar crops (F.O. Licht)	September	6,970,000	4,708,758	5,881,333
United States Beet crops sugar (W. & G.)	July & Oct.	283,717	200,722	208,135
Grand total Cane and Beet Sugar — Tons		12,107,550	9,531,652	10,323,631
Estimated increase in the world's production		2,575,898	•	•

Imports of Brazilian Sugar into the United Kingdom for the seven months January to July 1905 and 1906 were as follows:—

	Quantity (cwt)	Value (£ sterling)
1905.....	36,864	23,887
1906.....	995,005	373,554

An increase in quantity for the seven months is thus shown of 918,141 cwt and in value of £349,667.

With regard to the United States ports summary no receipts reported since our last, the total from January 1st—August 30th 1906 and January 1st—August 31st 1905 being respectively as follows in tons:—

1906	1905
9,816	20,016 decrease 10,200

Quotations for sugar at Maceio from 10th to 14th September were as follows:—

Whites 1\$500—Sommers 1\$200—Mascavo 1\$050—Bruto \$900 to 1\$000—Do special 1\$050.

Entries of Sugar at Pernambuco for the last four crops are as follows in bags:

	1902-3	1903-4	1904-5	1905-6
September.....	10,909	27,168	9,293	35,571
October.....	87,094	167,789	84,072	169,599
November.....	214,498	269,125	210,394	261,669
December.....	234,152	235,638	264,197	319,375
January.....	264,481	267,093	253,092	339,467
February.....	171,436	187,655	229,454	349,619
March.....	161,661	143,394	204,174	277,682
April.....	137,771	112,924	69,964	98,739
May.....	37,541	34,644	93,677	91,613
June.....	27,551	10,793	34,246	36,744
July.....	17,897	3,060	29,557	17,605
August.....	7,435	2,928	10,624	7,841
Total.....	1,357,006	1,404,984	1,477,591	1,988,066

Shipping

ARRIVALS AT THE PORT OF RIO DE JANEIRO

During the week ended September 28th, 1906

DATE	NAME OF VESSEL	FLAG	RIG	TON- NAGE	FROM
Sept. 22	Urmston Grange.....	British.....	S. S.	2,202	London
22	Theraps.....	do	do	2,315	Manchester
22	Jokai.....	Austrian.....	do	1,957	Fiume
22	Guanard.....	Brazilian.....	do	325	Maceio
22	Esperanza.....	do	do	460	Vaporaço
22	Ortega.....	British.....	do	4,322	Vaporaço
22	Harvest Queen.....	do	Schooner	1,294	Pernambuco
22	S. João.....	Brazilian.....	do	43	Maceio
22	Vencedor.....	do	do	27	do
22	Italian Prince.....	British.....	S. S.	1,908	Santos
22	P. Sigismund.....	German.....	do	1,003	do
22	Jaguaripe.....	Brazilian.....	do	242	do
22	Itaperuna.....	do	do	1,111	Porto Alegre
22	Indra.....	Norwegian.....	Barque	50	Stettin
22	Sterling.....	do	do	1,167	Pernambuco
22	Olivaria.....	Brazilian.....	Schooner	98	Alcobaça
22	Telly Russ.....	German.....	S. S.	1,267	Antwerp
22	Nyeinza.....	British.....	do	2,642	Cardiff
22	Byron.....	do	do	2,536	New York
22	Queen Eleanor.....	do	do	2,275	Savannah
22	Argentina.....	Spanish.....	do	3,447	Buenos Aires
22	Amazona.....	Brazilian.....	do	327	do
22	Argentina.....	Italian.....	do	3,429	do
22	Santos.....	Brazilian.....	do	366	Porto Alegre
22	Industrial.....	do	do	300	Florianopolis
22	Itacolomy.....	do	do	563	Paranaguá
22	Thames.....	British.....	do	3,993	Southampton
22	Espírito Santo.....	Brazilian.....	do	1,999	Maceio
22	Tiguanes Varela.....	do	do	710	Para
22	Marink.....	do	do	375	Caravelhas
22	Paraná.....	British.....	do	1,962	Itatia Blanca
22	Milton.....	do	S. S.	2,064	Antwerp
22	Glencoe.....	do	do	1,648	Cardiff
22	Soldier Prince.....	do	do	2,025	New York
22	Itatuba.....	Brazilian.....	do	717	Santos
22	Amazona.....	British.....	do	6,301	Buenos Aires
22	Itatia.....	Brazilian.....	do	514	Porto Alegre
22	Cambridge.....	French.....	do	2,593	Cardiff
22	Les Andes.....	do	do	2,599	Marseilles
22	B. El Grande.....	Spanish.....	do	2,179	Barcelona
22	Piranga.....	Brazilian.....	do	360	Parahyba
22	Melpomene.....	Austrian.....	do	1,822	Santos
22	Pinto.....	Brazilian.....	do	239	S. João da Barra
22	Wulf.....	do	Schooner	65	Hajahy
22	Activo H.....	do	do	33	Cabo Frio
22	Alina.....	do	do	31	do
22	Dous Amigos.....	do	do	39	do
22	Dous Irmãos.....	do	do	32	do
22	Jorge.....	do	do	64	do
22	Fortinho.....	do	do	64	do
22	Tamar.....	British.....	S. S.	2,065	New Port
22	Cordoba.....	German.....	do	3,173	Hamburg
22	St. Umberto.....	Italian.....	do	2,066	Genoa
22	Borkum.....	German.....	do	4,296	Buenos Aires
22	Victoria.....	Brazilian.....	do	431	Florianopolis
22	Alexandria.....	do	do	317	Santos
22	Aurora.....	do	Schooner	33	Cabo Frio
22	Estrella do Norte.....	do	do	24	do
22	Olivia.....	do	do	94	do

SAILINGS FROM THE PORT OF RIO DE JANEIRO

During the week ended September 28th, 1906

DATE	NAME OF VESSEL	FLAG	RIG	TON- NAGE	FOR
Sept. 22	San Nicolas.....	German.....	S. S.	3,041	Hamburg
22	Reform.....	British.....	Schooner	543	St. Martin
22	Amelia Clara.....	Brazilian.....	do	33	Cabo Frio
22	Ortega.....	British.....	S. S.	4,522	Liverpool
22	Esmeralda.....	do	do	2,583	Vaporaço
22	Olinda.....	Brazilian.....	do	1,240	Maceio
22	Garcia.....	do	do	141	Santos
22	P. Sigismund.....	German.....	do	2,942	do
22	Florianopolis.....	Brazilian.....	do	518	Porto Alegre
22	Fidelius.....	do	do	269	S. João da Barra
22	Moscard.....	do	do	531	Para
22	Cloria.....	do	do	251	Antonina
22	Urmston Grange.....	British.....	do	2,202	Buenos Aires
22	Itatia.....	Brazilian.....	do	1,714	Santa Lucia
22	Santa Cruz.....	do	do	430	Avarajá
22	Argentina.....	Italian.....	do	3,429	Genoa
22	Moscard.....	Brazilian.....	do	394	Vietoria
22	Esperanza.....	German.....	do	3,317	Santos
22	C. R.....	British.....	Schooner	210	Paranaguá
22	Argentina.....	Spanish.....	S. S.	2,347	Barcelona
22	Esperanza.....	Brazilian.....	do	409	Itatia
22	Itatia.....	do	do	1,532	Buenos Aires
22	Esperanza.....	Brazilian.....	Schooner	69	Rio G. do Sul
22	J. L.....	do	do	40	Maceio
22	Amazona.....	British.....	S. S.	6,301	Southampton
22	Niteroi.....	French.....	do	1,880	Marseilles
22	Sigismund.....	German.....	do	1,963	New York
22	Edouard.....	British.....	do	2,243	Savannah
22	Kingston.....	do	do	2,217	Santos
22	Jokai.....	Austrian.....	do	1,957	River Plate
22	Thames.....	British.....	do	3,993	Buenos Aires
22	Itaperuna.....	Brazilian.....	do	714	Porto Alegre
22	Itatia.....	German.....	do	3,196	Santos
22	Vencedor.....	Brazilian.....	Schooner	27	Maceio
22	Italian Prince.....	British.....	S. S.	1,908	New York
22	Amazona.....	Brazilian.....	do	327	Maceio
22	Itatia.....	do	do	514	Pernambuco
22	B. El Grande.....	Spanish.....	do	2,179	River Plate
22	Les Andes.....	French.....	do	2,599	do
22	Valina.....	Argentine.....	do	444	Paranaguá
22	Itatia.....	do	do	2,626	Santos
22	Soldier Prince.....	do	do	2,029	do
22	Fidelius.....	Brazilian.....	Schooner	208	Hajahy

ARRIVALS AT THE PORT OF SANTOS

During the week ended September 28th, 1906

DATE	NAME OF VESSEL	FLAG	RIG	TON- NAGE	FROM
Sept. 22	Itatia.....	Brazilian.....	S. S.	553	Porto Alegre
22	Itatia.....	German.....	do	3,599	Buenos Aires
22	Santos.....	Brazilian.....	do	357	Rio G. do Sul
22	Argentina.....	Italian.....	do	3,429	Buenos Aires
22	Camacum.....	Brazilian.....	do	1,125	Pernambuco
22	Sparta.....	German.....	do	1,830	Rio G. do Sul
22	Itatia.....	Brazilian.....	do	690	Pernambuco
22	Itatia.....	do	Schooner	65	Hajahy
22	P. Sigismund.....	S. S.	do	2,942	Hamburg
22	Florianopolis.....	Brazilian.....	do	516	Rio de Janeiro
22	Itatia.....	German.....	Schooner	125	Rotterdam
22	Amazona.....	British.....	S. S.	6,300	Buenos Aires
22	Putney Bridge.....	do	do	2,147	Cardiff
22	Loxehel.....	do	do	1,365	Sunderland
22	Cloria.....	Brazilian.....	do	263	Rio de Janeiro
22	Esperanza.....	German.....	do	3,317	Buenos Aires
22	San Lorenzo.....	Argentine.....	do	539	Buenos Aires
22	Ville de Donat.....	French.....	do	1,150	Braila
22	Bologna.....	Italian.....	do	2,066	Buenos Aires
22	Alexandria.....	Brazilian.....	do	350	Iguape
22	Garcia.....	do	do	162	Rio de Janeiro
22	Thames.....	British.....	do	3,992	Southampton
22	Itatia.....	German.....	do	3,106	Hamburg
22	Victoria.....	Brazilian.....	do	465	Florianopolis
22	Jokai.....	Austrian.....	do	1,957	Fiume
22	Anatom.....	British.....	do	1,781	Rosario

SAILINGS FROM THE PORT OF SANTOS

During the week ended September 21st, 1906

DATE	NAME OF VESSEL	FLAG	RIG	TON- NAGE	FOR
Sep. 21	Canarias.....	French.....	S. S.	1,971	Havre
21	Alexandria.....	Brazilian.....	do	390	Iguape
21	P. de Moraes.....	do	do	496	Buenos Aires
21	Italian Prince.....	British.....	do	1,958	New York
21	Argentina.....	Spanish.....	do	2,236	Barcelona
21	Argentina.....	Italian.....	do	3,420	Genoa
21	Santos.....	Brazilian.....	do	587	Rio de Janeiro
21	Clemente IV.....	do	Schooner	29	Tijucas
21	Itatia.....	do	S. S.	553	Pernambuco
21	Itatia.....	do	do	690	Porto Alegre
21	Florianopolis.....	do	do	576	R. G. do Sul
21	Amazona.....	British.....	do	6,300	Southampton
21	Glória.....	Brazilian.....	Schooner	263	Antonina
21	J. S. Costa.....	Portuguese.....	S. S.	316	New York
21	Alexandria.....	Brazilian.....	do	390	Rio de Janeiro
21	San Lorenzo.....	Argentine.....	do	539	Buenos Aires
21	Melpomene.....	Austrian.....	do	1,852	Trieste
21	Bologna.....	do	do	2,066	Genoa
21	Thames.....	British.....	do	3,932	Buenos Aires
21	Garcia.....	Brazilian.....	do	162	Rio de Janeiro
21	Hajahy.....	German.....	Schooner	125	Florianopolis
21	Victoria.....	Brazilian.....	S. S.	365	Rio de Janeiro
21	Norman Prince.....	British.....	do	2,233	New Orleans
21	Borkum.....	German.....	do	4,237	Bremen
21	S. Paulo.....	do	do	3,065	Hamburg
21	Ville de Donat.....	French.....	do	1,150	Buenos Aires
21	Vouga.....	Portuguese.....	do	323	New Orleans

LIVERPOOL BRAZIL AND RIVER PLATE STEAMERS

LAMPORT & ROLT LINE

Passenger service for New York
Average passage Rio to New-York 17 days
THESPIA..... 17th Oct.

The steamer

BYRON

sails on the 3rd October for
Bahia, Pernambuco and New York

Taking 1st & 3rd class passengers for above ports and for

BARBADOS

"Tennyson" & "Byron" have also superior 1st class accommodation

For freight apply to the Broker

Wm. R. McNiven,

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For passages and further information apply to the

Agents: NORTON, MEGAW & Co., Ltd.

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WILSON SONS & CO. (LIMITED)

2, Rua de S. Pedro

RIO DE JANEIRO

AGENTS OF THE

Pacific Steam Navigation Company
Shaw Savill & Albion Co., Ltd.
The New Zealand Shipping Co., Ltd.
The Horden Line of Steamers

Repairs to Ships and Machinery

Having large workshops and efficient plant, are in a position to undertake repairs of all descriptions to ships and machinery.

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 supplies to ships.

Establishments: Wilsons, 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 splendid German Steamer

BAHIA

Captain Hansens

Expected from Santos on the Oct. 1st. 1906 will leave on 2nd October for

Bahia, Lisbon, Oporto (Leixões), and Hamburg

at 10 a. m.

The steamers receive cargo for Lisbon direct and also for Leixões.

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.

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AVENIDA CENTRAL, 79

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BRAZIL-ADRIATIC LINE

of
The Austrian Lloyd's Steam Navigation Company

and

The Royal Hungarian Sea Navigation Company "Adria" Limited

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

DEPARTURES FOR TRIESTE

TRIA..... 10th Oct.

FOR RIVER PLATE

MORAVIA..... 8th Nov.

For freight apply to the Broker.

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AGENTS

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RUA GENERAL CAMARA, 21.

Rio de Janeiro.

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Santos.

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SOCIÉTÉ GÉNÉRALE

Transports Maritimes à vapeur de Marseilles

DEPARTURES OF STEAMERS FOR EUROPE

AQUITAINE..... 5th Oct.

LES ALPES..... 22nd "

ORLÉANAIS..... 6th Nov.

for

Marseilles, Barcelona, Genoa, and Naples

Through fares to Paris 1st class..... f. gold 723

do do 2nd f. 650

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

Barcelona 3rd class..... f. 165

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Santos.—1 Praça da Republica

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NORDDEUTSCHER LLOYD BREMEN.

Capital.. 120,000,000 Marks

NEXT DEPARTURES

Date	Steamer	Destination
1906 Oct. 5	Erlangen...	Bahia, Madeira, Leixões, Rotterdam, Antwerp and Bremen.
19	Coblentz....	Bahia, Pernambuco, Madeira, Lisbon, Leixões, Antwerp and Bremen.

Passengers & Cargo accepted

Passenger 1st 1st-cl 3rd-cl.
Rio — Rotterdam, Antwerp, Bremen..... Marks 450 £. 10/-
" — Lisbon & Leixões..... £ 18/- Rs. 160\$
For further information apply to

HERM. STOLTZ & Co., Agents

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H. A. L. (Hamburg-American Line)

(South American Service)

The new fine Imperial Mail Steamer

PRINZ SIGISMUND

10,000 tons

expected from Santos on the 4th Oct. 1906, sails on Oct. 5th at noon for:

Bahia, Madeira, Lisbon, Leixões, Dover, Boulogne 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.

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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
Oct. 8	Nile.....	Santos, Montevideo and Buenos Aires.
0	Thames.....	Bahia, Pernambuco, Lisbon, Leixões, Vigo, Cherbourg and Southampton.

Special attention is drawn to the following:

Holders 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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**FOREIGN VESSELS AFLOAT
IN RIO DE JANEIRO HARBOUR
on September 28th, 1906.**

Steamers		Sailing Vessels	
<i>Ischborna</i>	Tons. 2,573	<i>Enduara</i>	Tons. 1,351
<i>Rodney</i>	" 2,339	<i>Equator</i>	" 347
<i>Reichel</i>	" 2,378	<i>Nova Angela</i>	" 1,298
<i>Elswick Grange</i>	" 2,362	<i>Luigi</i>	" 543
<i>Green Jacket</i>	" 1,829	<i>Urania</i>	" 891
<i>Lincoln</i>	" 2,347	<i>Albatros</i>	" 741
<i>Levisham</i>	" 1,773	<i>Julius Palm</i>	" 800
<i>Campana</i>	" 1,567	<i>Harvest Queen</i>	" 1,894
<i>Conway</i>	" 2,391	<i>India</i>	" 890
<i>Thespis</i>	" 2,239	<i>Sterling</i>	" 1,167
<i>Tilly Tuss</i>	" 1,257		
<i>Nautica</i>	" 2,642		
<i>Queen Eleanor</i>	" 2,270		
<i>Paradise</i>	" 1,947		
<i>Milton</i>	" 2,094		
<i>Gloucester</i>	" 1,648		
<i>Cambridge</i>	" 2,306		
<i>Melpomene</i>	" 1,852		
<i>Timor</i>	" 2,165		
<i>Cordoba</i>	" 3,173		
<i>Ré Umberto</i>	" 2,060		
<i>Borkum</i>	" 4,236		
Total.....	Tons. 50,744	Total.....	Tons. 9,972

**IN SANTOS HARBOUR
on September 28th, 1906.**

Steamers		Sailing Vessels	
<i>Type</i>	Tons. 1,853		
<i>Brookwood</i>	" 1,987		
<i>Albion</i>	" 2,268		
<i>Merchant Prince</i>	" 2,021		
<i>Grecian Prince</i>	" 1,469		
<i>Urania</i>	" 1,731		
<i>Terrace</i>	" 2,686		
<i>Belona</i>	" 1,739		
<i>Pontus</i>	" 3,599		
<i>Sparta</i>	" 1,830	None	
<i>Prinz Sigismund</i>	" 2,141		
<i>Patney Bridge</i>	" 2,147		
<i>Langfield</i>	" 1,935		
<i>Erlangen</i>	" 3,337		
<i>Bahia</i>	" 3,106		
<i>Jokari</i>	" 1,671		
<i>Amomion</i>	" 2,259		
Total.....	Tons. 37,960		

THE FREIGHT MARKETS

British. *Freight* of September 6th says that there is not much change to report in the freight market, and the volume of chartering is not on a very extensive scale considering that September/October business is now, or ought to be, in full swing. Notwithstanding Russia's internal confusion, the Black Sea is absorbing a good deal of tonnage, and probably as much as could be expected under these circumstances. As far as we can see, this business should rather improve than otherwise, as it is now pretty evident that the revolutionary resort to violence will be postponed, if it takes place at all, until the coming winter months.

Coal rates from Wales were 14s.3d. to 14s.9d.

Argentine. Parcel rates for Brazilian ports remain unchanged. There is a good supply of parcels for Porto Alegre, Santos and Rio, but very little is being offered for other ports. We quote:—

From B. A. :—

To Bahia and Pernambuco 20/-, to Pelotas and Porto Alegre 19/-, to Desterro 13/-, to Antonina 14/-, to S. Francisco (Paranaguá) 13/-, to Rio Grande 12/-, to Santos 10/-, to Rio 10/-, with the usual 1s/ to 2s/ extra from up-river ports. *The Times of Argentina*, September, 17.

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

Per S. S. <i>Byron</i>	for New York.....	20,000 bags of coffee
" " <i>Melpomene</i>	" Trieste.....	4,150 " " "
" " <i>Mendoza</i>	" Hamburg.....	8,000 " " "
" " <i>P. Sigismund</i>	" ".....	3,250 " " "
" " <i>Umbria</i>	" Genoa.....	2,750 " " "
" " <i>Coblenz</i>	" Antwerp.....	1,800 " " "
" " <i>Erlangen</i>	" ".....	1,800 " " "
" " <i>Brasil</i>	" Genoa.....	1,000 " " "
" " <i>Bahia</i>	" Hamburg.....	1,200 " " "
" " <i>Brazilero</i>	" Cadiz.....	250 " " "

Coffee Freights to U.S.A. The refusal of the Lamport & Holt and other steamship companies maintaining regular Brazilian services to lower their freight rates on coffee has resulted in the chartering of a number of steamers by New York importers to bring full cargoes of coffee to this port. The regular line rate is now 35 cents per bag and the steamship people claim that it is low enough.

At the office of Busk & Jevons, the New York agents of the Lamport & Holt and Prince line, it was said yesterday that the rate had been reduced from 40 to 35 cents only recently and that no further reductions are probable.

In reference to the claims of the importers here to the effect that a rebate of 5 cents per bag was being paid to Brazilian exporters who used one line exclusively, Messrs. Busk & Jevons declared that there was no secret about the arrangement, that it had stood for a long time and had worked satisfactorily to all concerned. The steamship people

say that any large shipper of Brazilian coffee can take advantage of the rebate by making an exclusive contract for twelve months.

Two specially chartered for the New Orleans trade. *New York Journal of Commerce*, Aug. 22.

Austrian Lloyd. The Brazilian service undertaken by the Austrian Lloyd Steamship Company has now been excluded from the agreements existing between the Austrian Government and the company. An arrangement has, however, been made whereby this particular service will be carried out by a new company under the title of the Union Company, in which both the Lloyd Company and the Austro-Americana Steamship Company will be interested. The capital of the new company, according to the "Neue Freie Presse", will be 10,000,000 kronen, of which one-third will be subscribed by the Lloyd Company and the remainder by the Austro-Americana Company, of which the two principal German shipping companies are large shareholders. Hitherto the Brazilian service has been in the hands of the Lloyd Company, whereas in future the German companies might gain a certain influence over it. The Vienna newspaper submits, therefore, that sufficient guarantees should be provided, so as to fix beyond doubt the Austrian character of the new company, and prevent the influencing of it by German shipping companies. The company will build large new steamers for the Brazilian service and establish a line for freight and emigrant traffic to Brazil and Argentina.

Hamburg-America Line. The Hamburg-America Line announces its intention to issue new capital to the amount of 20,000,000 marks, making its total capital 120,000,000 marks. The official statement says the dearth of steamers makes an increase in tonnage, with a consequent increase in capital, imperative. Hitherto the Company has frequently been compelled to hire inferior foreign ships. New vessels are especially required in the North American service. Hitherto the two giant steamers "Amerika" and "Kaiserin Augusta Victoria" have been unable to take half the passengers applying for accommodation. The Company therefore intends to build more ships of the same type and to establish a regular weekly service to New York. Ships are also wanted on the routes Hamburg to South America, Hamburg to the West Indies. The Company is, moreover, about to open a line under the German flag between Genoa, the River Plate States and Brazil. The statement adds that the service to Chinese waters must be increased and suitable ships provided for the service recently started with the ports of the Sudan and the Persian Gulf.

Prince Line. The report of the directors of the Prince Line, Ltd., for the year ended 30th June, shows that the gross profits for the period amounted to £109,684. Deducting £29,416 for repairs and renewals, there remains £80,268. Interest and sundry charges consume £10,190. Adding the balance from last year, £1,743, the sum the directors have now to deal with is £71,821. This is appropriated as follows:— Depreciation, £40,000; interim dividend, at the rate of 5 per cent., £15,437; and a final dividend of a like amount, £15,037, leaving to carry forward £1,745.

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MONTHLY TRIPS BETWEEN RIO DE JANEIRO & NEW YORK

Sailings From Rio:

NORTH LINE	Every Sunday at 10 o'clock a. m.
RIO GRANDE LINE ...	The 1st., 7th., and 23rd., every month, at 12 noon.
NEW YORK LINE	Once a month.
RIVER PLATE LINE ...	The 4th. and 20th. every month, at 12 noon.
STA. CATHARINA LINE	The 11th. and 28th. every month at 12 noon.
SUL DA BAHIA LINES	Once a month (Departures not fixed.)
SERGIPE LINE	Twice a month (Departures not fixed.)
MATTO GROSSO LINES.	Are in connection with the River Plate Line, departures from Montevideo or Buenos Aires.

FLEET

<i>Alagoas.</i>	<i>Goyaz.</i>	<i>Florianopolis.</i>
<i>Brazil.</i>	<i>Sergipe.</i>	<i>Santos.</i>
<i>Mandós.</i>	<i>Mayrink.</i>	<i>Planeta.</i>
<i>Maramhão.</i>	<i>Victoria.</i>	<i>Satellite.</i>
<i>Olinda.</i>	<i>Lymoré.</i>	<i>Prudente de Moraes.</i>
<i>São Salvador.</i>	<i>Estrella.</i>	<i>Iris.</i>
<i>Pernambuco.</i>	<i>Fugundes Varella.</i>	<i>Amazonas.</i>
<i>Espirito Santo.</i>	<i>Grão Pará.</i>	<i>Guarajá.</i>
<i>Bragança.</i>	<i>Diamantino.</i>	<i>Ladário.</i>
<i>Matto Grosso.</i>	<i>Mercedes.</i>	<i>Nioac.</i>
<i>Marajó.</i>	<i>Rapido.</i>	<i>Itapenirim.</i>
<i>Cozipó.</i>	<i>Rio Verde.</i>	<i>Cahy.</i>

26 BUILDING

For Cargo, Passages and General Data Apply to the
Head Office & Agencies

CURRENT COFFEE FREIGHT RATES FOR THE WEEK ENDED SEPTEMBER 29TH, 1906

	Rio	Santos
Amsterdam.....	50/- in full	—
Aden via Trieste.....	50/- & 5 %	50/- & 5 %
Antwerp 1,000 kilos.....	40/- & 5 %	35/- & 5 %
Alexandria.....	55/- & 10 %	55/- & 10 %
Algerie.....	50/- in full	50/- in full
Algiers via Marseilles.....	51 1/2 fcs. & 10 %	51 1/2 fcs. & 10 %
Almerie.....	58.50 fcs. in full	—
Aguilés.....	73.50 fcs. in full	—
Alcoa Bay { New York.....	42/6 & 2 1/2 %	—
Hamburg.....	42/6 & 2 1/2 %	—
Rotterdam, Antwerp or Bremen.....	42/6 & 2 1/2 %	—
Bassorah.....	99 fcs. & 10 %	99 fcs. & 10 %
Barcelona.....	35 fcs. & 10 %	35 fcs. & 10 %
Beira { Hamburg.....	78/6 in full	—
Trieste.....	55/- & 5 %	—
Southampton.....	78/6 & 2 1/2 %	—
Bilbao.....	78/6 & 2 1/2 %	—
Bombay.....	56.50 fcs. in full	60.50 fcs. in full
Bremen.....	40/- & 5 %	35/- & 5 %
Bordeaux, 900 kilos.....	35 fcs. & 10 %	35 fcs. & 10 %
Bombay via Trieste.....	50/- & 5 %	50/- & 5 %
Braila.....	57.50 fcs. & 10 %	57.50 fcs. & 10 %
Brindisi.....	49 fcs. & 10 %	49 fcs. & 10 %
Buenos Ayres per bag, 60 kilos.....	12.200	12.500
Beyrouth.....	70 fcs. & 10 %	70 fcs. & 10 %
Cadix.....	35 fcs. & 10 %	35 fcs. & 10 %
Da via Genoa & Marseilles.....	63 fcs. & 10 %	—
Calcutta via Trieste.....	55/- & 5 %	55/- & 5 %
Cardenas.....	50 fcs. in full	50 fcs. in full
Cebu.....	50/- & 5 %	50/- & 5 %
Cebu.....	55 fcs. & 10 %	55 fcs. & 10 %
Coronel.....	50/- & 5 %	50/- & 5 %
Coruna.....	53.50 fcs. in full	53.50 fcs. in full
Cavalla.....	58 fcs. & 10 %	58 fcs. & 10 %
Christiana.....	51/- in full	—
Copenhagen direct.....	42/6 & 5 %	37/6 & 5 %
New York.....	42/6 & 5 %	—
Hamburg.....	37/6 & 2 1/2 %	—
Buenos Aires.....	37/6 in full	—
Southampton.....	40/- & 2 1/2 %	—
Rotterdam, Antwerp or Bremen.....	37/6 & 2 1/2 %	—
Constantinople.....	52 1/2 fcs. & 10 %	52 1/2 fcs. & 10 %
New York.....	50/- & 5 %	—
Buenos Aires.....	42/6	—
Southampton.....	45/- & 2 1/2 %	—
Hamburg.....	42/6 & 2 1/2 %	—
Rotterdam, Antwerp or Bremen.....	42/6 & 2 1/2 %	—
Delagoa Bay { New York.....	70/- & 5 %	—
Hamburg.....	70/- in full	—
Southampton.....	70/- & 2 1/2 %	—
Rotterdam, Antwerp or Bremen.....	70/- & 2 1/2 %	—
East London { New York.....	50/- & 5 %	—
Hamburg.....	50/- & 2 1/2 %	—
Southampton.....	55/- & 2 1/2 %	—
Rotterdam, Antwerp or Bremen.....	50/- & 2 1/2 %	—
Flour.....	40/- & 5 %	35/- & 5 %
Galatz.....	62 fcs. & 10 %	62 fcs. & 10 %
Genoa 1,000 kilos.....	35 fcs. & 10 %	35 fcs. & 10 %
Gibraltar via Genoa.....	65 —	46 fcs. in full
Gijon.....	56.50 fcs. in full	56.50 fcs. in full
Hamburg.....	40/- & 5 %	35/- & 5 %
Havre, 900 kilos.....	35 fcs. & 10 %	35 fcs. & 10 %
Hongkong via Trieste.....	60/- & 5 %	60/- & 5 %
Kobe via Trieste.....	65/- & 5 %	65/- & 5 %
Liverpool.....	35/- & 5 %	35/- & 5 %
London 1,000 kilos.....	35/- & 5 %	35/- & 5 %
Do (options).....	40/- & 5 %	—
Malaga.....	58 fcs. & 10 %	58 fcs. & 10 %
Da via Genoa & Marseilles.....	58 fcs. & 10 %	—
Malta.....	53 fcs. & 10 %	53 fcs. & 10 %
Marseilles 1,000 kilos.....	35 fcs. & 10 %	35 fcs. & 10 %
Messina.....	45 fcs. & 10 %	45 fcs. & 10 %
Metelin.....	63 fcs. & 10 %	63 fcs. & 10 %
Montevideo per bag, 60 kilos.....	12.200	—
Mombassa via Trieste.....	55/- & 5 %	55/- & 5 %
New York.....	70/- & 5 %	—
Hamburg.....	50/- & 2 1/2 %	—
Southampton.....	50/- & 2 1/2 %	—
Rotterdam, Antwerp or Bremen.....	50/- & 2 1/2 %	—
Mostaganem via Marseilles.....	53 fcs. & 10 %	53 fcs. & 10 %
Naples.....	43 1/2 fcs. & 10 %	43 1/2 fcs. & 10 %
New York, Liners per bag.....	35/- & 5 %	40/- & 5 %
N. Orleans, Liners.....	40/- & 5 %	40/- & 5 %
Odessa.....	55 fcs. & 10 %	55 fcs. & 10 %
Oran.....	51 1/2 fcs. & 10 %	51 fcs. & 10 %
Pasajes.....	60.50 fcs. in full	—
Palma de Mallorca.....	53.50 fcs. in full	—
Penang via Trieste.....	60/- & 5 %	60/- & 5 %
Palermo.....	45 fcs. & 10 %	—
Patras.....	55 fcs. & 10 %	55 fcs. & 10 %
Pireus.....	52 1/2 fcs. & 10 %	52 1/2 fcs. & 10 %
Port Said.....	55 fcs. & 10 %	55 fcs. & 10 %
Rotterdam.....	40/- & 5 %	35/- & 5 %
Rangoon via Trieste.....	55/- & 5 %	55/- & 5 %
San Sebastian.....	60 1/2 fcs. in full	60 1/2 fcs. in full
Santander.....	56.50 fcs. in full	60.50 fcs. in full
Samsoun.....	58 fcs. & 10 %	58 fcs. & 10 %
Seville.....	50 fcs. in full	50.50 fcs. in full
Shanghai via Trieste.....	65/- & 5 %	65/- & 5 %
Smyrna.....	52 1/2 fcs. & 10 %	52 1/2 fcs. & 10 %
Southampton 1,000 kilos.....	35/- & 5 %	32/6 & 5 %

* To Delagoa Bay & Beira the freights must be paid here or in Hamburg.

Suez via Trieste.....	50/- & 5 %	50/- & 5 %
Salonica.....	52 1/2 fcs. & 10 %	52 1/2 fcs. & 10 %
Sulina.....	57 fcs. & 10 %	57 fcs. & 10 %
Taragone.....	50 fcs. in full	50 fcs. in full
Trebizond.....	58 fcs. & 10 %	58 fcs. & 10 %
Trieste.....	40/- & 5 %	35/- & 5 %
Tunis.....	53 fcs. & 10 %	53 fcs. & 10 %
Valencia.....	50 fcs. in full	50 fcs. in full
Valparaiso (options).....	47/6 & 5 %	—
Varna.....	62 1/2 fcs. & 10 %	62 1/2 fcs. & 10 %
Venice via Genoa or Marseilles.....	50 fcs. & 10 %	50 fcs. & 10 %
Vigo.....	56.50 fcs. in full	60.50 fcs. in full
Yokohama via Trieste.....	65/- & 5 %	65/- & 5 %
Zanzibar via Trieste.....	55/- & 5 %	55/- & 5 %

* Royal Mail Steamers in combination with Houlder Bros.

** Conference rates via Marseilles, Genoa or Trieste.

WEST COAST PORTS

Punta Arenas.....	45/- & 5 %	45/- & 5 %
Corral.....	60/- & 5 %	60/- & 5 %
Coronel.....	60/- & 5 %	60/- & 5 %
Calden.....	50/- & 5 %	50/- & 5 %
Talca.....	50/- & 5 %	50/- & 5 %
Antofagasta.....	50/- & 5 %	50/- & 5 %
Liquique.....	50/- & 5 %	50/- & 5 %
Copulima.....	50/- & 5 %	—
Tacabun.....	45/- & 5 %	—
Callao.....	50/- & 5 %	—
Valparaiso.....	45/- & 5 %	—
do (option).....	47/6 & 5 %	—

Railway News and Enterprise

SUNDRY TRAFFIC RETURNS

Railway	Mileage	Latest Earnings Reported		Aggregate to date	
		Week or Month	1906	1905	1906
Braz. Gt. South. a	110	110 July	29,744	26,811	222,881
Leopoldina S. Braz. Rio Grande. b	1,400	1,400 Sept 25th	31,434	28,672	782,478
	176	176 Ap.	204,122	205,342	1,055,883

a Earnings reported in pounds, b in milreis.

BOUND VOLUMES OF THE Brazilian Review

FOR 1905, 1904 AND 1903

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Market Reports

Pernambuco, September 20th, 1906.

Cotton. Market has been very quiet with only small sales to fabrica here at 95000 to 98000 and although this figure was fully 12000 to 15000 more than export value the holders showed very little disposition to sell; the enquiry has been only for prompt cotton, the highest bid for future delivery having been 88000 at which price one sale was reported for November.

Liverpool has been up and down, the recovery in spot *sertões* being to 5 3/4 but the market is again weaker and today quoted very unsettled. Clearances have been 2,430 bags to Rio, 1600 bags & 550 bales to Santos, 288 bags Bahia, and 100 bags & 995 bales to Liverpool.

A Rio shipper has today paid 98500 for ready cotton and sellers have now retired.

Coffee. Hardly any sales and no demand; there are sellers at 72000 but doubtful if 75 would be paid, small entries of new crop are reported.

Milho. Rallied again to 75 réis prompt and then dropped to 72 at which sales were made for next month delivery and price became flat again at 70 but today some 3,000 bags are reported as sold at 75 per kilo. The shipments have been 14,456 bags to Rio, 534 bags Victoria, 844 bags Pará and 1,012 bags Bahia.

Fariña. Has been a steady market at 33000 to 35500 according to quality; today 1,000 bags are reported sold for shipment South at 34000, and if there is more buying for same quarter we shall see an advance as there is no stock held by dealers. Shipments have been 2,400 bags to Oporto, and 1,400 Northern Ports.

Beans. New demand sprang up for Rio market after our last and price was run up to 14500 and 15000 for mulatinho and as high as 16000 for black and latter are still worth this figure but the others are only 13500 to 14000 today.

Freights. No demand for tonnage so far.

The Brazilian Review

SUPPLEMENT

MESSAGE

OF THE

GOVERNOR OF THE STATE OF AMAZONAS

H. E. Dr. Constantino Nery

To the Legislative Assembly on July 10th 1906

GENTLEMEN OF THE LEGISLATIVE ASSEMBLY:—

In accordance with constitutional usage and with the satisfaction of having served to the best of my ability our institutions and the State, which the people's vote called me to administer, I present to your critical judgement an account of all that pertains to the high destinies of the land which was my cradle.

I rely on the kindness with which you will listen to a humble exposition of the present conditions of Amazonas, in the hope that it will be as clear as the beneficent measures, with which you will arm the Government to overcome its thronging difficulties, will be brilliant.

Your meeting is an event of threefold importance. For yourselves, summoned as you are to work in the sphere of legislative action; for the State, the smoothness of whose administration depends on the enlightened harmony of its representatives; and, above all, for me, whose disillusion during my political career make me lend a ready ear to the high opinion which you represent.

It is on these three facts, on the threefold nature of this assembly that I base my assurance that the meetings of this body here today is of the utmost importance to the State, in view of the great questions which involve the development of Amazonas, the solution of which will do honour to the annals of the Legislative Assembly, and whilst of the greatest utility to the State, which has entrusted its future and its prosperity to you, will be most pleasing to me who, as Governor, share all these responsibilities.

Following as I do with fixed resolve the course I laid down for myself, giving the best direction that I can to my administration, grappling with the sacrifices which arise from the present anomalous and uncertain condition of affairs, which must inevitably give way before social development and the supreme law of human evolution, I cannot conceal the satisfaction with which I hail the resumption of your labours at this juncture in the political history of Amazonas.

I firmly believe, Gentlemen, and my belief is based on long experience, that the abnormal phase through which the State is now passing will not be of long duration and that it will disappear thanks to the measures which you have already taken and to the adoption of others which will provide Government with power to end it.

Apart, however, from direct remedies and from the measures, which your patriotism has suggested to Government for the perfect carrying out of its administrative functions, I assure you that there are also indirect remedies.

Foreign criticism of the country, which you so worthily represent as its legislators, and the opinion of cultured men, devoted to the Republican cause and of irreproachable integrity, will reestablish Amazonas in the face of self seeking and mistrust.

While not pursuing phantoms, Gentlemen, I will not have recourse to legal accusations in the name of the State against all those who attack its administration and its honour. I simply defend my country which is your country too, which is the country indeed of us all and in which we live. However deeply one may probe the human mind and dive in a spirit of inquiry into the troubled waters of politics one will never find a reasonable explanation or a logical argument for the odium which is heaped on the statesmen and the policy of this State by certain native journals.

We can, however, point out the complete lack of success which has attended this campaign of defamation, whose sole object was to discredit the policy of Amazonas in the eyes of men and of Governments, and especially in those of the Federal Union.

Nothing daunted, however, the detractors of the State, the administration of which has been entrusted to me, through the organs of an excited press and through the votes of a reckless body of men, nourish the fantastic dream of a new territory to be annexed to the Brazilian Federation, with the sole object of breaking the harmony of the dual organisation proclaimed by the President of the Republic in his last message.

Notwithstanding the fact that the enemy turned all the

fire of their batteries of foolish and capricious argument against the political situation existing in the State, I have the greatest satisfaction in stating, from the honourable position to which I was called, that up to today there has not been the least friction between the two Governments and indeed the harmony existing between them has been the more marked as the attack on the integrity of Amazonian territory became the more injurious and unjustifiable, after the solution of the much debated question with Bolivia.

You will allow me first of all to record in this message, which is the true recital of facts and the faithful expression of my sentiments as a Brazilian, my deep feelings of grief for the catastrophe of Jacuacanga where fate swallowed up, together with a powerful unit of our Navy, so many lives precious to the Republic, so many hopes of the future naval glories of our country, side by side with honoured men who had already earned the laurels of immortality.

The whole nation was stunned by the disaster to the *Aquidaban*, (the official news of which this State had not the honour to receive); like an electric shock through its whole system ran the news of the violent explosion which gave as food to the ocean a band of brave sailors, martyrs to their duty. The Brazilian people showed their fortitude under this misfortune and poured out a lavish sympathy on the brilliant body thus bereaved, to which body I present in the name of Amazonas, which shared in this sympathy, and of myself, the homage of an inexpressible grief.

No less deep is the grief with which I address this illustrious Congress on the loss of one its most distinguished members. I refer to Dr. Amaro Carneiro Bezerra Cavalcante of whose able cooperation we have been prematurely deprived, as well as of the zeal and devotion which he ever manifested for the progress of the State of which, like you, he was a worthy ornament.

Accept then, gentlemen, the expression of my lively sympathy in the loss which your body has suffered.

The last electoral reform which caused so much party feeling ended by the decision of the polls in a triumph of republican principles, of which the country should be proud as guaranteeing to every man the liberty of political conscience. I congratulate myself then, and you, as representatives of a State, whose leading party elected me to so hazardous a post, I congratulate myself together with Amazonas, destined as it is to hold so high a place in the Brazilian Federation, on this great law which is true electoral reform, the spirit of which will mould our moral status and causes me to nourish hopes of the complete regeneration of our beloved country.

I have the satisfaction of informing you that, under the guarantees of this useful reform, elections took place in this State on January 31st and March 1st of this year for Federal Deputies and Senators, for President and Vice-President of the Republic and, under the no less strong guarantee of the State law, for one of the members of this Congress.

The election of the future magistrates of the Republic, for which the names of the most eminent Brazilians submitted to the popular vote were unanimously accepted by the people, passed off in all the States without any disturbance and evoked the greatest enthusiasm, guaranteed as it was by the exact execution of the law.

The eminent citizens, Dr. Afonso Augusto Moreira Penna and Dr. Nilo Peganha were elected and their election has already been confirmed and proclaimed by the Federal Congress.

I am glad to be able to observe, in this State particularly, as a noteworthy proof of the great interest that is taken in the country's politics the unparalleled movement in the Amazon electorate at the late polling and the interest evinced in the elections for the Federal and State Congresses.

The popular choice fell upon the following gentlemen who today hold responsible positions; in the Federal Congress; Senator, Alexandrino de Alencar; Deputies, Dr. Jorge de Moraes, Lieutenant Aurelio Amorim, Captain Antonio Nogueira and Colonel Henrique Ferreira Penna de Azevedo and, in the State Congress, Colonel José Gonçalves Dias.

I feel that I must refer in this message to two events which greatly contribute to the fame of the land which you represent,

you as the intelligent workmen on the structure of the State who give it its political foundation and furnish the original plans of its construction. The first event was the visit to the waters of the Rio Negro of the Portuguese gunboat *Patia* which was accorded the hearty welcome of Brazilians, united as they are to Portugal by the powerful ties of common traditions and a common melodious and prolific tongue. The second was the visit of Dr. Affonso Augusto Moreira Penna, President elect of the Republic, to the vast regions of the North, regions completely abandoned under the old régime which, if it had continued, would have left them in the slough of incurable and chronic neglect.

The visit to our waters of the warship of a friendly Nation, united to ourselves in a history full of heroic deeds, might seem to the ordinary observer in no respect worthy of mention in the pages of history. In my opinion, however, this visit was of the greatest moment to Amazonas in view of its political importance to the Brazilian People. It was not a question solely of the natural rejoicings and sympathy evoked in a hard working colony by the presence of a piece of Portuguese soil anchored in the Rio Negro, but there were indirect results, to which I have already referred, which will tend to reestablish the credit of Amazonas far beyond her own borders, namely the critical judgment of our worthy guests and the unbiased opinion of those illustrious foreigners who now have personal knowledge of that Brazilian State which a tireless malevolence represents as deprived of all normal constitutional conditions and pictures as the Inferno of Dante.

On the other hand everyone who is free from the trammels of pessimism will recognise the utility of the tour made by Dr. Affonso Penna. This worthy statesman when called to the Chief Magistracy abandoned the example set by his predecessors of visiting the Old World before taking up the reins of the Brazilian Government.

To him, with his sound common sense, it seemed more useful, more fitting and more logical to get to know the different States of his own country and study the manifold problems of their politics and economies in order that he might have, in the exercise of his high office, the help of practical experience and knowledge obtained at the fountain head and substitute this for the fine theories of our administrative subjectivism.

Although Dr. Affonso Penna desired to visit the various States without public manifestations, that he might the better gain a true impression of the normal conditions of the country which he is to govern, he was nevertheless met with great public rejoicings and acclamation which clearly proves popular confidence in the incoming administration. Having applied his brilliant intelligence to the study of the great questions which have arisen since the fall of the old régime, one of whose most distinguished servants he was, and having served the new régime with the same loyalty as that of its most devoted adherents, it is almost impossible to gauge the benefits which his visit to the North will bring, but it is easy to foresee the radical change to be brought about in our politics by a man who wished to know the country that he might govern it the better.

Amazonas is proud to have welcomed for some days as her guest the illustrious son of the *Inconfidentes*, a strong man of mature judgment, proof against the deceptions and disappointments of public life.

Optimism is a healthy thing for Nations in the making which have not yet, as Laflotte says, solved their social problems.

Notwithstanding his age and the disillusion of a life now half spent Dr. Affonso Penna is an optimist with a clear and observant intelligence who never loses the hope of seeing his country bathed in glory's rays and enriched by the toil and heroism of her sons.

For my own part and on behalf of the State which I administer, I herewith express a heartfelt hope that the future Government may achieve triumphs whose fame shall never die and which will crown the name of him so deservedly called by Republican opinion to the highest office in the State.

I have already told you, Gentlemen, of the excellent relations maintained between Amazonas and the Union in spite of the setback to our economic prosperity caused by the celebrated organisation granted to the Acre Territory, as you will see later on.

The President of the Republic, in the illuminating message which he presented to the National Congress on May 3, said that the policy adopted instituted a dual organisation, Federal and Local, with distinct and well defined powers and functions working each in its own sphere, and, without complete harmony between the two, National unity would cease since the Union has no right to interfere in the life of the States nor hinder their movements. I cite the similar promulgation of a principle upon which the Federal régime is based that I may better set before your very eyes the magnitude of this anomaly grafted upon the political organism of the Brazilian Federation which is indeed an assault upon the autonomy of the State of Amazonas.

It is certainly against the true principle of the present Government that whilst the State has not interfered with its movements it has put the most serious obstacles in the way of local autonomy.

When the Bolivian question, which for many years was a matter of anxiety to our Governments, was settled and the Acre Territory acquired as a result, no solution was more just or more consonant with the principles of political law than that Amazonas should incorporate with its own a territory which actually belonged to it, as the Union itself recognised before and during the litigation.

It is a common principle of justice that in a dangerous question the Union should settle the difficult litigation and free Amazonas from such responsibility. When Bolivia disputed the Acre Territory, over which this State ever maintained a mild and pacific rule, owing to the false spirit of the treaties we were denied all rights over that Territory which did not cut itself away from Amazonas but was put aside, pending the decision of the litigants, like a limb submitted to a diplomatic operation to be either cut off from or incorporated with the Nation.

This is as good as saying that individual States have no International standing and in the dispute with Bolivia, according to a brilliant report on the question by Clovis Bevilacqua, the Union appears fighting for the right, that is for the whole of Brazil, in the field of foreign politics on a question most nearly affecting Amazonas and centering in it, if the question is considered as in the domain of internal affairs.

The judicial opinion of this well known Brazilian professor is an aegis for Amazonas in its claim over the Acre since it is the pivot on which all propædæutic argument turns, the centripetal force which gathers together all the first elements needful for a comprehension of the problem. The professor brings to bear the sharp instrument of his analysis as well as his extraordinarily powerful mental erudition and he asserts, *auctoritas juris*, that the Acre question, in a normal constitution, admits of but one possible solution.

There is, in fact, Gentlemen, only one way of solving this most important question, namely by incorporating the Territory with the rest of the State of which it is a part. The present organisation of the Prefecture, owing to failure to understand our State and its customs, has not produced the effect expected by the Federal Government. It is a hybrid and abnormal organism and one day the voice of history will tell whether or not its evil fruits disturbed the peace of our institutions.

The irregularities of the Acre administration, the disorder which reigns throughout this fantastic creation of a State which it was determined to tear away from Amazonian autonomy, the internal strife, the discord existing amongst the very administrators themselves are proof positive that there exists no spirit of Government, no control of passion, which together are the elements essential to the life of a State where political ideal is itself unstable and disappears with the anomaly by which it was created.

I feel that I must record in this document the satisfaction I experience, in the name of the State on whose behalf I address you, at the ever increasing tendency in favour of our right to control the Acre once more. In spite of the obstinate campaign of those who struggle for the independence of the Acre or for the maintenance of the *status quo*, the difference between whom an impartial critic cannot distinguish, the reckless desire to make an attempt on constitutional usage is as great as it is to foster the confusion already existing. I can only assure you that the struggles of Amazonas, the solicitude of its Government, the patriotism of its representatives in the Federal Senate and Congress in the efforts to bring back to the State its own right, dominion over the Acre Territory, will in no way be abated.

As that famous lawyer, Dr. Ruy Barbosa, was chosen to champion our cause against the Union there is no need for me to enlarge upon the great value of his first address to the Supreme Tribunal nor on the no less weighty reply to the arguments of the illustrious and worthy Procurator General of the Republic.

I fortify myself with the great hope that, in the near future, to the rejoicings of a society appreciative of the high capabilities of the noble champion of its cause there will be added the rejoicings over right, proclaiming by the highest and most competent authority that the Acre belongs to Amazonas and is an integral part of it just as Amazonas belongs to the Federation and is an integral part of Brazil.

The dual organisation with which the existing constitution endows us cannot exist in the domain of sterile political strife. Just as the Union ought not to expect the State to oppose measures intended for the common weal or stand in the way of the destiny laid down by Republican ideal so they in their turn expect the Union not to display malicious interference or break down the bonds of local autonomy.

The return to us of the dominion over the Acre, Gentlemen, is the great problem which especially affects the policy of Amazonas, and also the general policy of the country, the former because it involves the most serious interests of an economic order and the latter because in its decision is involved the responsibility of an entire situation by the proposal, officially upheld, to violate tradition, custom and all normal constitutions.

I am certain, however, that victory awaits us in the future on the plains of right and on those vast plains I do not fear to proclaim that Amazonas following the dictates of duty, energetically refuses to acknowledge the irritating tutelage which the Union wishes to impose upon it.

Later on you will find details of the movement of the departments of the State, together with proposals for such measures as seem to me necessary for the improvement of the various services.

PUBLIC INSTRUCTION

The projected reforms in public education, the bases for which were laid down in my last message, have in practice shown that there are certain deficiencies in the regulations which accompanied them.

In spite of technical advice and of the efforts of the organisers to foresee and remedy the inefficiency of public instruction in Amazonas, it was impossible—as Dr. Jorge de Moraes points

out in the report attached to the said regulations—beforehand to find means to discover where reform was most needed. Only some years of practical experience will do away with the defects in these regulations.

There are other questions more difficult of solution, such as education in the interior of the State. The vast size of Amazonas is the greatest obstacle and this can only be removed in the far distant future when the population is denser and the means of communication much better than at present.

This obstacle which for the present cannot be removed can, however, be minimised by the employment of measures for the repression of abuses and punishment for slackness in carrying out their duty of teachers in the interior.

As one of the causes of the inadequacy of education in these regions the Director General of Public Instruction points out in his report, which is annexed, the incompetence of some teachers and the laziness of others.

It was this very fault, considered as it was by the Committee appointed to organise the present system of Public Instruction as the principle cause of the poor state of our education, that called forth the first movement towards the reform which has for its main object the preparation of teachers fitted to give profitable instruction in knowledge indispensable to our social life.

But as the normal school teachers are not obliged to serve in the interior it is easily understood how urgently necessary it is to provide some interim teachers for the posts.

To prove this it is enough to refer to the fact cited in his report by the Director General that posts in mixed schools managed by women are unoccupied on account of the insufficient number of those who accept such nominations.

It seems to me that the chief cause of the refusal of those who have shown that in competitive examination they are fitted to accept nomination to posts in the interior is the lack of guarantee which they have of holding it, for they are liable to lose it at any moment if a professor holding the diploma of the Normal School wants it.

I am, therefore, of opinion that the Article which lays down this regulation should be altered.

I think, then, that this is one of the measures that should be adopted until the reform has had time to show us what its results are and revealed what other steps should be taken and we can hope to get teachers trained according to the regulations.

In accordance with your authorisation in Law 487 of October 1905 I founded in Paricubá an Agricultural and Industrial Institute for the teaching of practical agriculture and cattle breeding as well as useful trades and at the same time for the giving of primary instruction. As directors of this establishment, which the education reform bill termed the Instituto de Educandos Artífices, I contracted in Europe with the Congregação do Espírito Santo four professors, who took up their duties a considerable time before the opening of the school which took place on the 27th of June of this year in the presence of his Excellency Dr. Affonso Augusto Moreira Penna, President elect of the Republic, who heeded to the request made to him that his visit to that useful institution should be perpetuated, and allowed it to be called Instituto Affonso Penna.

A great many scholars have already been matriculated in this Establishment, while a great many applications for admission have been received, all of which goes to show with what sympathy its foundation has been received and that the utmost confidence is reposed in the good results which it will give.

The function of the Normal School leaves much to be desired, the principal reason for this being lack of a proper building, of Laboratories of Physics and Chemistry and of a Natural History Department and an apparatus for Swedish Gymnastics.

In reply to a request made to me by the Director of Public Instruction I issued Decree No. 776 on the 9th of May of this year authorizing the Congregation of the Normal School, the Complementary Schools and Schools of the third Degree to arrange a new time table for their classes. As a result of this change of time table evening classes were abolished.

The two Complementary Schools, as well as the Gymnasio Amazonense, continue to work regularly except that they lack many necessary appliances.

In his annexed report the Director General of Public Instruction proposes certain measures which will tend to solve the problem of education in the interior of the State.

Besides these measures, whose adoption he requests, he also asks for the reform of certain Articles of the Regulations at present in force, which, as he considers them of the greatest utility, I hope you will duly examine.

SANITARY SERVICE

With regard to this Department of the Public Service I am glad to be able to inform you that the Health conditions of Manaus were excellent throughout the year which has elapsed since I presented my last message to you.

The few cases of yellow fever (20) which were verified during this year and the two of diphtheria in no way constituted an epidemic in the State of Amazonas.

Malaria, the disease which carries off a greater number of persons than any other disease in Manaus, could only be got under in its various forms after the employment of all the measures advised in their report by the Sanitary Committee of the Capital, whose careful studies were most particularly directed to the centres where the disease was most prevalent, in their search for means of combating it.

In the course of the past year, and during the current, Bubonic Plague and Smallpox appeared in Bahia and in the Capital of the State of Pará to a considerable extent. In spite, however, of the direct communication kept up with those States the Plague did not succeed in entering our territory, whilst only a very small number of cases of Smallpox were verified, all brought in from the neighbouring States. These were immediately removed to the Isolation Hospital at Umirizão, which, however, does not possess the conveniences necessary for an establishment of its kind.

It appears to me, therefore, convenient that you should take into due consideration the proposals presented in the annexed report by the Health Committee and that you should take the necessary measures for the construction of a new building conforming to the conditions of comfort and hygiene which such an institution requires.

Another Department of the Sanitary Service which is certainly deserving of your attention, as it is a powerful aid in the extinction of the best vehicle of the malarial bacillus, is disinfection and isolation.

In the message which I presented to you last year I called attention to the poor equipment of this Department. Once more I beg to impress upon you the necessity for building a Public Disinfecting Station where disinfection of infectious and contagious diseases may be undertaken. In one of the annexed reports of the Health Committee you will find the studies and plans referring to this improvement.

The service done by the Disinfection Department has been limited, this being due, not only to lack of organization, but also to an insufficient staff and want of proper appliances, which are in no way adequate for the exigencies of the Public Health.

As you know, the State has already purchased stoves and boilers for this purpose but up to the present they have not been able to be used, as no proper place was available for their installation.

The Clayton apparatus—type "B"—acquired by the State for disinfection with Sulphur Dioxide of vessels arriving in this port, was provisionally mounted on a barge by reason of the urgent necessity for its employment when we were last year threatened by an invasion of Plague in this Capital. It is now necessary to mount it definitely on a boat specially adapted for that purpose which will also have accommodation for other auxiliary apparatus in order to obtain a complete service of disinfection of river shipping.

Thus, then, it is absolutely necessary that the personnel of the disinfecting staff should be increased and that they should be supplied with all the necessary equipment and that a proper barge should be purchased for the adequate mounting of the Clayton apparatus.

The removal of sick persons for the purpose of isolation to prevent the transmission of disease is another point in Public Sanitation which merits your intelligent consideration.

I am certain that with a proper service of disinfection and the isolation of sick persons the Public Health of Manaus will greatly improve. The service of Police Sanitation, which has justified the necessity of its existence will be more profitably carried out, seeing that, without the material necessary for disinfection, domiciliary visits, which ought to be made with great strictness, were of no avail.

The Laboratories for Chemical and Bacteriological analyses belonging to this Department, were handed over, as suggested in my last message, to the Health Committee to whom they were of the greatest service. They also, however, suffer from lack of proper equipment. It would, therefore, be convenient that you annually vote a sum for the renewal of this equipment which in consequence of being constantly in use naturally deteriorates.

A Commission of Doctors was appointed to inspect the Military Sanatorium at Itacotiara and they report that the building situated in the centre of the city is in no single respect adequate for the needs of the institution and propose that it should be moved to another site in the same city where it now is, and that the old building should be repaired.

HEALTH COMMITTEE

Having reached the term for which it was created by an Act of 30th. December 1905, the Health Committee has ceased to exist.

Besides the most valuable studies, to which I have already referred when treating of the Sanitary Service, you will have the opportunity, in studying the most elaborate and detailed reports annexed to this message, of finding others of great importance to which I venture to draw your attention since I consider them of the greatest importance for the health conditions of this country and beg that you will examine them in detail, as the adoption of the measures proposed therein seems to me indispensable.

DEPARTMENT OF JUSTICE

In the performance of its high mission of dealing out Justice the Department has been administered with complete regularity. It has afforded by its decisions, always stamped as they were with the hall mark of impartiality, a complete guarantee to the rights of citizen. It is with the deepest regret that I refer to the irreparable loss which the Superior Tribunal of Justice has suffered by the death of Desembargador Gallano Estellita Cavalcante Pessoa who rendered the greatest services to the cause of Public Justice in the long course of his magisterial career.

The illustrious Desembargador who now presides over this, the highest legal body in the State, in his annexed report proposes

certain measures of reform for the reorganization of our Judicial system, a most important question which merits your whole attention and the solution of which lies in your critical judgement and your patriotism.

PUBLIC SAFETY

Public order remains undisturbed. Thanks to the efficiency of the preventive and repressive action, taken by the learned magistrate who directs this important branch of the Administration, attacks on property have considerably diminished in numbers, attacks which during some months of the past year filled the population with alarm and were due to the fact that the city was overrun by hundreds of ruffians and robbers deported to Amazonas by the Federal Government after the grave events on the 14th November 1904, in the Capital of the Republic.

Such, however, were the measures employed, some indeed exceptional but all within the limits of the Law, that I have the pleasure of telling you that no single event occurred to disturb Public Safety and tranquillity, to which result, besides the energy of the authorities, the excellent temper and notable virtues of the people of Amazonas contributed in no small degree.

Since the work of constructing the new Penitentiary is not yet completed prisoners are confined in the cells of the Prefecture, in the public prisons and in the barrack prisons of the State forces.

From the annexed report you will see that the sanitary conditions in the two first are excellent; the same, however, cannot be said of the Regimental prisons, so much so that the Government was obliged to order the demolition of the ruined building which was being used as a prison. The measures there taken to a certain extent improved the sanitary conditions of these prisons. As soon, however, as part of the new Penitentiary is finished, which will be very soon, all the prisoners will be transferred there.

The Police Service of the port of Manaus continues to be carried on with the greatest promptitude and regularity.

From the 1st of July, 1905 to the 30th April, of the present year 1,545 ships were visited of which 766 entered and 779 sailed. During the same period the number of passengers reached 47,699.

There disembarked 27,095 of whom 13,456 came from the interior and 13,639 from abroad. There left this Capital 20,604 of whom 7,896 for the interior and 12,708 for abroad.

In spite of the fact that they were unable to operate with every convenience—which will only be obtained when its service is moved to the new Penitentiary and the new apparatus have been mounted which are essential to the performance of its work and which are being provided—the Medical Legal and Anthropometric Departments attached to the Head Office of Public Safety rendered most important services.

The Chief of this Department of the Administration is anxious for reform in the Police Service and points out, amongst other measures to be taken, the establishment of Police Stations in the suburbs of this city. I consider the proposals which he lays before you in his report to be worthy of your enlightened attention.

THE STATE REGIMENT

The State Regiment continues in a perfect state of discipline and performs its duty with gallantry. True as it is to its traditions of loyalty and valour it is a certain guarantee of social order and has my whole confidence.

As it was found from experience that the military force of the State was insufficient for present and future needs, as many of the men are called away to police the municipalities of the interior, by decree 926 of June 1905 I raised the number of the force from 667 to 1,100 men, in accordance with your authorisation contained in Law 453 of October 1st 1904.

Under the new arrangement the police force of the State consists of two battalions of infantry, known respectively as the 1st and 2nd, one squadron of cavalry and the fire brigade, to which is to be added a battery of artillery. In view of this reform certain retired officers have been replaced on the active list.

The 1st and 2nd battalions are quartered in the comfortable barracks on the praça da Constituição whilst the fire brigade remains in its old quarters, now the property of the State, in the rua Joaquim Sarmiento. The squadron of cavalry remains in the quarters of the Cachoeirinha until the works which have already been begun on the new building on the Plano Inclinado, bought by the State, are finished, when they will be transferred thither. Owing to the condition of the State finances the effective of the regiment is below its proper standard. The force is, however, well equipped, clothed and armed whilst its military instruction is of the best.

PUBLIC WORKS

During the last 12 months this important branch of the public service has done a great deal of work.

Of these undertakings some were finished in the time I refer to, others are nearing completion, whilst some are paralysed. Amongst those completed are to be noted; those on the Governor's Palace, the building at Perlemba for the Instituto Affonso Penna, the paving of various streets, drains for rain water, strengthening walls, excavations in various part of the city, especially those on the square formed by the ruas Luiz Antony, Saldanha Marinho, the praça General Osorio and the estrada Epaminondas, as well as the ground along the river São Vicente where the extension of the ruas Saldanha Marinho and

Governador Victorio is to run, the excavations on the Boulevard Amazonas (which is 40 metres wide) are also to be noted by reason of their difficulty owing to the nature of the ground, which consists for the most part of gravel and stones and also on account of the depth to be cleared way, in some places as much as 8 metres, also the underground works on the Avenida Treze de Maio, which Dr. Marcio Nery, ex-chief of the Health Committee, considered to be the chief centre of infection in the middle of city.

Considering that at present it is not easy to expropriate lots near to the places where underground works ought to be made and that all the earth was removed by primitive methods without modern appliances and the transport made by animal traction the difficulties of the work are easily understood.

Amongst the works that are going on and are nearing completion are; the Public Library, Statistical Office and Archive Department, one of our most important buildings which, apart from its architectural beauty, is most solid and, well advanced as it is and only awaiting its metal roof, will probably be finished by the end of the year; the Penitentiary, which will be one of the most perfect of its kind in Brazil, as it conforms to the most modern ideas for such buildings, has one wing already finished, though work has lately been somewhat delayed owing to the fault of the contractors; and the school in the largo dos Remedios the construction of which has been interrupted for several months.

Owing to the condition of our finances work has been suspended on the following; the new building for the Head Office of the department of Public Safety in the praça da Republica; the Lunatic Asylum in the bairro de Flores and the Avenida Constantino Nery, which is a natural link between the estrada de Flores and the city, along which there is already considerable wheeled traffic. Other small works were executed but of less importance, such as painting and repairing certain premises as you will see from the annexed report.

In virtue of the contract entered into with Dr. A. de Lavandeyra for a drainage system and a water supply for this city and as the plans presented by the concessionaire have been approved by Government Dr. Lavandeyra took over the direction water supply which continues to be ample for the necessities of the population.

On the 11th of April last the said concessionaire inaugurated the construction of the drainage system by laying the foundations of a flushing tank in the rua José Clemente towards the end of the rua Joaquim Sarmiento.

TRANSPORTATION AND LIGHTING

So far as they can the two branches of the electric service supply the needs of the population. Although the improvement in the present service supplied some of the needs of the public, still means of transport in Manaus leave much to be desired since certain parts of the city, where the population has greatly increased, urgently require regular means of transport.

In my last Message I pointed out this need when calling your attention to the construction of the Remedios line which was laid as a section of what must later run along the Avenida Silverio Nery, one of the most populous streets of the city.

This line, the laying of which I considered would admit of no delay, could not be constructed owing to want of funds on the part of the Electric Service. It seems to me, therefore, that it would be of great advantage if you would vote an appropriation for this purpose.

Another point which deserves your consideration is the condition of the material for public lighting in the city which is worn out and needs complete renovation.

On the other hand means for increasing the private lighting supply are urgently needed, seeing that the dynamos in the two power stations "A" and "B" belonging to the State are working at the highest pressure. Meanwhile we receive constant applications for the installation of electric light in private houses which applications we cannot attend to as these dynamos do not give the necessary force. As a matter of fact the force of the dynamos was sufficient at the time of the installation for the population of Manaus, calculating the number of lamps required, but today this is not the case so satisfactory has been the increase in the population of this city, which shows every sign of growing greater in the near future.

It would be fitting if you would remedy this defect, as indeed, the population looks to your patriotism to do.

As the service of the water supply has been handed over to Dr. A. de Lavandeyra, the concessionaire by contract signed with the State, I authorised the superintendent of the Electric Works to furnish him with the force necessary for pumping the water; he to pay all expenses involved.

In the report which was presented to me by the Department and annexed to this Message you will find all necessary details of these various points.

LAND TENURE

There has been a considerable increase in the movement of the land Registry Department. During last year the number of definite titles granted was 2,390 dealings with an area of 9,665,698,833 m² of which 4,774,848,950m² were by sale and 4,891,049,883m² by legitimation.

The sale of land produced 316:103\$937 this result being greatly influenced by decree No. 712 of March 14 of this year which declared that concessions to a provisional title were weak and that confirmation of titles to concessionaires who had not at that date paid their respective dues were null and void.

COLONISATION

According to the report of the Land Registry Department it appears that the colony at Pedro Borges continues to develop as production is increasing and the number of colonists has now reached 500.

The Campos Salles colony is no less prosperous and from the fertility of its soil would give much more profitable results if it were connected with this city by the projected railway, the plans for which are now ready, but the execution of which depends on the means which you afford to Government.

RAILWAYS AND INDUSTRY

Besides the railway mentioned above, a contract has been signed in virtue of Law No. 493 of Oct 23 1905 with Engineers Humberto Saboia de Albuquerque and Hermano Vasconcellos Bittencourt for the construction of a railway from Campos Salles to the River Janapery, decree No. 775 of April 30th of this year granting to the same Engineers the right to extend this line to Boa Vista on the Rio Branco. This decree will be submitted for your consideration.

To the first of these Engineers was also granted a concession and the necessary authorisation to erect a xarquenda and other establishments calculated to foster the industries peculiar to the Rio Branco district, at a point near the township of Boa Vista.

In answer to my appeal in my last Message you authorised by Law 478 of October 6th 1905 the foundation of an Agricultural and Industrial Institute. This important establishment was inaugurated at Paricatuba on June 27th last under the name of the Instituto Affonso Penna, as I have already told you. At present, amongst other departments, that of practical agriculture is now in working order whilst the agricultural experiment section is being organised. We hope that we may shortly open the zootechnic section for improving the breed of various animals.

In this same Message I brought to your knowledge the necessity of aiding and developing agricultural and pastoral industries in the State. It is a complex problem but one of the greatest importance to Amazonas, which will justify any sacrifice which will give Government the means of solving it.

Our principal source of wealth, rubber extraction, is threatened with a somewhat gloomy future on account of competition which promises us a struggle at an early date.

At our last meeting I had occasion to say as follows:—

"We ought not to forget that in the future our products may meet with great competition or may suffer diminution in quantity and we ought to watch the growing production of maniocaba rubber in the other States of the Republic and of like products in Africa, Asia and Central America which are already competing with us and so constitute a great menace to the valorisation of our chief article of export. Thus, protection, extended to the agriculture of our State, will be a preventive measure and one that will assure our future."

Today my forebodings are still more gloomy and are confirmed by the remarks of our Consul General in Liverpool, who says as follows in his report:—"During the last four years a great quantity of *Hevea* seeds have been imported here, and during that time about 60,000 acres have been planted in Ceylon, and an equal number in the Straits Settlements in the proportion of 250 trees per acre. The plantations have been systematically and scientifically made in such a way that in some cases after 3 years the trees have been sufficiently strong to be tapped and generally after six, against 8 or 10 in other parts of the world. Almost all the rubber imported here comes from Ceylon it being the product of these precocious trees of which but a few are more than 4 years old. To give some idea of the energy with which this industry is being pursued, it will suffice to say that during this year about 4,000,000 seeds were sold at about a penny each and were all planted, and this figure probably only represents about half the number planted in Ceylon during the current year."

"It is calculated that during this year more than 100,000 acres were set aside for the cultivation of rubber in this Island, and a similar area in the Straits Settlements which gives a total of 320,000 acres in the two Colonies, representing, in the proportion of 250 trees per acre, 80,000,000 trees actually in cultivation. Thus it is that without counting on further increase in planting these two British Colonies within a few years will be in a position to supply the markets with the best rubber that has ever been known."

According to a report of the same Consul a certain amount of rubber has already been landed in England coming from Ceylon in the form of small, transparent, flat cakes of rubber, chemically pure, which fetched remunerative prices, the last quotation being 6s 10d. per lb. whilst the best obtained for Amazonas and Pará was only 5s. 7d.

These facts make it sufficiently clear that we ought to inquire into the question and provide against the consequences.

I consider then that it is the duty of the powers that be to stir up and give impulse to private initiative, and for this reason I think that the organizing of agricultural exhibitions promoted by Government, which will give prizes for the cultivation of the best rubber and for the best means of curdling it, will produce the best results.

I should advise also, as a sequel to this, the creation of a experimental plantations where selection should be practised as well as the systematic study of the best means of extracting the latex, and chemical processes adopted for its curdling and stamping.

I believe that with such measures we can confidently face future competition.

We ought also to consider the cultivation of many other products to which our most fertile soil lends itself more than any other region.

In addition to the experimental establishment and the Zootechnic section which you created in the Instituto Affonso Penna at Paricatuba there is need of others.

The adoption of these measures aided by others calculated to keep the producing colonists on the soil by helping them with implements, seeds, machinery, and animals for breeding purposes, seems to me of the greatest economic importance, and I consider that they should be immediately put into effect.

NAVIGATION

As an important factor in the progress of Amazonas, navigation has been the object of my greatest consideration. Since year by year the number of spontaneous immigrants to this State, which more than any other offers vast fields for their activity, has increased and the power of production thus been added to. In order to develop navigation, I, in accordance with your authorization signed contracts with certain Companies in order to facilitate as much as possible the transport of products from those areas of the State up to now forgotten but for which the human arm now has a compensating use.

On the other hand, since the contracts already signed for other rivers require some modifications, which will grant more ample favours for the State and extend its lines to regions whose products are in need of easy means of transport, I am making a revision in order that as soon as possible this great need may be supplied.

OFFICIAL PRINTING OFFICE

Employing the means at its disposal the Official Printing Office continues to render such services to the State as its present conditions admit of.

In my last message I brought to your notice the need of supplying fresh material to this branch of the State and showed you that it would be convenient to provide it with an engraving department so that it might be in a position to execute any work of that character.

When once the Official Printing Office is thoroughly equipped in every particular it is easy to see what benefits the department will bring to the Treasury in that it will be a source of revenue. In consideration of this fact and to do away with these difficulties, I authorized the purchase of the plant most essential for its proper working. This, however, is not enough and upon you depends the improvement of its condition.

The regulations at present in force at the Printing Office are not satisfactory and I propose to substitute them by others which will shortly be submitted to your consideration.

Attached to the Printing Office is the collection of coins, in a good condition, but whose catalogue on account of errors and omissions requires revision.

COMMERCIAL ASSOCIATION

From the report of the President of this most useful institution you will notice that there has been considerable increase of movement which has indeed advanced *pari-passu* with the progress and expansion of the commerce of the State, which owes a debt of gratitude to its loyal co-operation.

PUBLIC LIBRARY, STATISTICAL AND ARCHIVE DEPARTMENT

As I told you in my present message when speaking about Public Works, the building destined for this branch of the Administration is nearing completion.

To enrich the Public Library I acquired by purchase from Dr. Fernando de Castro Paes Barreto an important library consisting of 2,606 volumes of the rarest works which are awaiting the completion of the new building.

The measures which I took to get correct returns from all the Departments of State through the Statistical Section were attended with the best results and I propose to publish an annual report, the utility of which being so obvious I need not enlarge upon it to you.

In accordance with the power you conferred upon me by Law No. 475 of May 1st, last year, I organized the Territorial Statistics Service which is already working, but with the difficulties natural at the beginning of such an important undertaking and struggling against great obstacles since some proprietors, not understanding the intentions of the law and the benefits which it will bring, refused to furnish the necessary information.

The date of the completion of this work was postponed to the 30th inst. when I hope that it will be finished.

In order to make our State better known and to save from the destroying action of time certain valuable historical documents, I determined, as I told you in my last message, to organize a compilation of the same in order that they might be preserved and I intrusted Major Bento de Figueiredo Tenreiro Aranha with this duty. I also ordered the publication of the reports of the Governor of Amazonas from 1852, the date of its elevation to the dignity of a Province, with which duty I intrusted Dr. José Lustosa da Cunha Paranaguá. The first part of this volume has already been published embracing the years 1852 to 1857.

PUBLIC DEPOSIT

This department of the Administration has carried on the work for which it was created and during the past year 170 different deposits were made amounting to 474:644\$922.

MUNICIPAL AFFAIRS

Under the autonomous régime assured to them by our fundamental laws, the municipalities are developing and their condition generally is one of animation.

In order to find out to what extent these cells of our political and social organism, on whose growth the prosperity of the State chiefly depends, are developing, I have spared no pains to arrive at complete knowledge of their mode of administration and the extent of their producing power. For this purpose, apart from personal observation on various tours which I made in the interior of the State, I appointed commissions to examine the books of the Intendências. Almost all of these show in their balance sheet for 1905 an equilibrium in their finances, some of them indeed being closed with a surplus.

I beg that you will give the most weighty consideration to the condition of taxation in the Municipalities.

The reversion to the State of the Industrial and Professional Tax (Imposto de indústrias e profissões) according to Article 30 of the Constitution, has caused some of the Municipalities to collect this tax again under a different name. With us, as in almost all the other States of the Union, the point where Municipal taxation begins is badly defined and I consider it of the greatest importance for Amazonas that you should determine upon measures to be taken which may prevent the same source of revenue from being taxed both by the State and by the Municipality.

It was not convenient in the present state of our finances that the State export tax on rubber should be higher than that levied by the Union, which was impossible in view of the fluctuations in the taxes levied by the Municipalities, according to the concession granted them by the State. It is, therefore, of prime necessity that at the earliest possible moment a uniformity between these taxes should be established. By decree N. 759 of 5th March last, which will be submitted to your consideration, the Municipal tax was fixed at 2.26% *ad valorem*.

By the same decree the gratification to be divided amongst the officials charged with collecting and entering the tax was limited to 4% of its total value.

FINANCE

The Revenue of the State showed a considerable falling off in 1905. The causes of the decline, already foreseen in the my message of April 15th 1905, were various.

Comparing, then, the Revenue collected in 1903 and 1904, which exceeded the estimates, the last mentioned with a surplus of 5,556:641\$898, I explained the reason for this considerable balance—on the one hand the valorisation of rubber and on the other the fact that production during the first four months of 1904 escaped the falling off which it suffered later from the organisation of the Acre. I proved with statistics that the average quotation of rubber in 1904 was 15% higher than in 1903 all of which tended to increase the receipts during that year.

The satisfactory results of 1904, though much inferior to the real producing power of Amazonas, did not deceive me since, in my opinion, in that particular year they were influenced by passing circumstances, and I foretold that they would not be repeated in 1905.

The comparative study of the statistics for the first three months of 1904 with those for the same period of 1905 and the attitude assumed towards this State by the Government of the Union—which hindered the administration and did not limit its sphere of action to the Acre alone but displayed an aggressive temper towards Amazonas—caused me to foresee an imminent and inevitable falling off in Revenue.

In my Message of April 15th 1905 I said:—"The Federal Departments were installed in May last year and Amazonas lost the revenue on 2,260,910 kilos of rubber during that year whilst the Revenue for the first three months of 1905 is 5,564:027\$486 as compared with 8,125:054\$790 for the corresponding period of 1904, a falling off of 2,561:027\$304. We ought to consider that whilst, owing to causes which may be only transitory, the high rate of exchange has been but slightly felt in rubber quotations it is possible that this influence may be felt in its full intensity at any moment."

My prophecies were well founded. Not only did entries of Amazonas rubber fall off in this market during the rest of the year but the high rate of exchange caused its devalorisation.

All this may be clearly seen by comparing the movement of 1904 with that of 1905, the receipts of the latter, falling short of estimates, produced only 15,233:686\$015 or 5,237:232\$815 less than in 1904.

Let us, however, take only rubber for the purpose of comparison as it is our principal article of export and provides nine tenths of total receipts.

In 1903 its production was 15,786,827 kilos; in 1904, when the Prefectures were established, it was 13,122,817 kilos. In 1905, however it was only 11,159,006 kilos a falling off of 4,000,000 kilos compared with 1903 and of 2,000,000 kilos compared with 1904.

As I have already said we must attribute this result not only to the seizure of part of our territory and the injurious constructions which the Federal Government put upon the

Treaty of Petropolis, but also, and this is the main cause, to the diversion of large quantities of contraband rubber to the so-called Acre Territory, a diversion induced by the great difference in the State and Federal export tax and winked at by several officials who administered the Prefectures.

With regard to this question Colonel Felipe Santiago Minnhos, director of the Revenue and Accountant Department of the Treasury and Colonel Domingos José de Andrade, head of the Recebedoria, commissioned by Government to inspect the fiscal stations on the Rivers Purús and Juruá reported as follows: "There is no need for us to have recourse to suppositions or long arguments to confirm the criminal smuggling which exists in the Prefectures of the Alto Acre and the Alto Juruá. No! To prove it we need only have recourse to the irrefutable logic of figures in their most elementary form. According to official documents in the Recebedoria of the State, exports of rubber from the River Acre for the last five years and the first three months of this year were as follows:—

1901.....	2,297,471 kilos
1902.....	2,170,204 "
1903.....	2,170,059 "
1904.....	1,597,920 "
1905.....	8,769,896 "
1906 (January to March).....	2,382,034 "

"It will be seen that in the year 1904 there was a considerable falling off, but in 1905 an abnormal increase the which is extraordinary and the more so since during that period, the number of trees in that region had not been increased, nor, again, did the crop take any longer than the usual 100 days to gather, which is the maximum time, under splendid conditions with a late summer and little water in the rivers. What then was the reason for this enormous increase in weight of the crop, to which, by the way, must be added the cargoes of the s.s. *Itacema Eurico* and others consigned to Leite and Co. and taken to Belém?

"The reason, indeed, is smuggling, the increase of which is in direct ratio to the action taken by the fiscal officials of the Prefectures in Amazonas with the purpose of increasing the Federal Revenue, an increase which would disappear if the smugglers and their accomplices did not count on the valuable aid of the Minister of Finance.

"So soon as these lamentable causes, which stultify the judgment of their authors and those who favour them, are removed the criminal effect of smuggling will go too. Therefore, in reporting upon the smuggling practised in the Acre and to show how far the invasion of the State of Amazonas by the fiscal officials of the Federal Government with the intent of harming its revenues has been carried, we have to inform Your Excellency that the Federal Station of Inquiry is established in Macapá much lower down than Caquetá, a place which is undoubtedly in the State of Amazonas.

"This fact has led to the result that from Caquetá downward quantities of rubber coming from Macapá, Andirá, Mundo Novo, Nova Axioma, Lua Nova and other neighbouring places has been landed as though on Federal territory.

"We can assure Your Excellency that the employees of the Federal Fiscal Station at Iquiy were never at that place.

"The same diversion of revenue is to be found on the River Juruá. Without speaking here of the great loss caused to the State of Amazonas, by the establishment of the Federal Fiscal Post at Ipixuna, many miles below Olivença, a loss which which approximates to 600,000 kilos of rubber, produced in this State but despatched as coming from the department of the Alto Juruá, we will prove to Your Excellency the existence of smuggling from the report of the Prefect himself. To do this we will revert once more to the logic of the figures which are given in that report presented last year to the Minister of Justice where ample proof of our assertions will be found.

"Thus, for example, the Prefect says in his report, (Page 23), that the Federal Territory has 112 rubber estates, with a total population, men, women and children, of 6,974 souls. Notwithstanding the exaggeration of these figures we will take them as true and see if, as the Prefect asserts on Page 37 of his report, such a number of persons could extract 4,000,000 kilos of rubber in the space of 100 days, which is the duration of the best crop according to the general opinion of the owners of rubber estates.

"Thus if 6,974 persons are to extract 4,000,000 kilos of rubber each must extract 573.5 kilos, which is impossible; Firstly because the amount of rubber extracted daily by one person is 3 kilos and therefore during the crop of 100 days, at the most, he can only extract 300 kilos. Secondly, because it is impossible for the whole population to devote themselves to rubber extraction to the detriment of other necessary branches of activity such as commerce, hunting and fishing; Thirdly, because in the exaggerated numbers are included 1,887 women who only in very special circumstances undertake so arduous an occupation; Fourthly, because in that total are included children of tender years incapable of any sort of work. Thus then the very figures in the report of the Prefect of the so-called Department of the Alto Juruá prove the existence of smuggling.

"But, further, as that department, according to the report, has a population of 5,087, men, women and children and a rubber production of 2,878,479 kilos (Vide Appendix page 36), in the months of January, February and March it is clear that:—

$$\frac{2,878,479}{5,087} = 565,652 \text{ grammes}$$

which amount of rubber each person would extract in 90 days. From this we get the deduction that each individual daily ex-

traction is 6,285 grammes which is humanly impossible, all the more so as the total number of persons includes men, women and children. We might easily comment on these facts but we will not do so as they do not bear on our present purpose. It is then in accordance with the weighty opinion of the great rubber proprietors, amongst whom we would mention Colonels H. Contreiras, F. F. de Carvalho and J. P. Cavalcanti, whose names are well known in the rubber world, that we continue to assert that the average extraction of rubber (well called the Golden Vegetable) per head during the crop (100 days) is 300 kilos. How then can the Prefect in his report give 565,652 grammes per head which is almost double?"

To prove the assertions of these zealous officials it will suffice to compare the production of Amazonas with that of the Prefectures for the last few years, in accordance with the data furnished in the report of the Revenue Office of the State:—

Year	Production of Amazonas	Production of the three Prefectures
1903.....	15,786,827 kilos	—
1904.....	13,122,817 "	2,260,000 kilos
1905.....	11,159,006 "	8,266,987 "

It is clear from the above table that as the production of Amazonas fell off, so the production of territory stolen from it increased.

Besides these causes there are others for the falling off in our Revenue. Owing to the fluctuation in exchange, which during 1905 was at a much higher rate than in 1904, rubber suffered considerable devaluation in the former mentioned year, and as the export tax was collected *ad valorem* it is clear that the fall in prices of the article taxed necessarily produced a falling off in revenue.

Another factor which contributed to the falling off in revenue was the difference in the export tax on rubber coming from the River Javary which by Law 451 of October 19th, 1904 was reduced from 20% to 7%, *ad valorem* a reduction of 65% of the tax on the same article coming from other sources.

It will thus be seen that various causes produced the shrinkage in the revenue of the State during last year, all of them of such a nature, with the exception of smuggling, that they were beyond the control of the Government.

With regard to smuggling I am in a position to declare to you that all possible measures have been taken to suppress it, so far without much result.

The establishment of Fiscal Posts; the prompt action of the Revenue Office in sending one or more agents to defend our interests on board every ship putting in at one of the State ports near the district over which the Union has unconstitutionally asserted its dominion; the protests of the fiscal representatives made in the presence of Federal officials; none of these things have produced any marked effect on the incomprehensible caprice of the Union which, with the sole object of hindering the normal course of our affairs, has stultified all the efforts that the Government of the State has made to oppose the annexing of its revenue.

It makes sport of our autonomy, it decides, as judge, cases in which it is itself interested and always disregards our rights. All that has been done is that when the proofs of crime were self-evident the tax on the smuggled rubber was deposited in the Custom Houses of Manaus and Belém, where at the present moment there are some 800,000\$ belonging to the coffers of Amazonas.

Debts owing to State amount to 1,546,751\$361.

By virtue of Decree No. 712 of March 14th, 1905 many debtors have paid the money owing by them for lands sold by the State.

As I informed you in my last Message in order not to surprise or unduly harm these debtors the decree was only put into force after they had been personally given notice of it.

During the year 1905 expenditure was 16,111,360\$571.

According to data furnished by the report of the Inspector of the Treasury the floating debt amounts today to 12,161,329\$.

If we take into consideration the smuggling carried on before the very eyes of the representatives of the Union and the other factors which have contributed to the great falling off in our revenue at the very moment when, with increasing engagements, Amazonas needs all the products of the State and a favourable rate of exchange for its solvency it is easy to understand that the increase of the floating debt is inevitable.

As its revenue declined, from the various reasons which I have explained to you, the needs of the State correspondingly grew with the increase in the population, especially in the Capital which is the principal goal of the large number of immigrants who are seeking Amazonas as the centre of their activity.

This increase in population imposes the duty on the Government of giving impulse to the progress which it ought to make.

As much as possible had been done by former Governments but the measures taken were insufficient. Other measures to ensure comfort and health were urgently needed and you yourselves, recognizing the necessity of Government action, passed laws authorizing the Executive to put these measures into practice.

Thus it is that important works of construction have been finished and many others begun, also germ-infected ruins were pulled down whose tottering condition threatened the lives of the inhabitants, such as the Public Prison where it was not right that the prisoners should live under conditions dangerous to their health in addition to the loss of their liberty.

For this, reason too, many of the buildings belonging to the Departments of State were substituted by others.

The levelling of new streets, their paving, and that of others which were in bad condition, was carried out, some of them being paved with parallelipipedons of asphalt.

You see then that if the revenue of the State had not suffered from the fluctuations of exchange and from contraband the falling off, which I pointed out above, our floating debt would have diminished or at least we may be sure would have remained the same.

Meanwhile, Gentlemen, the increase shown in the careful report made last April, which to-day is considerably reduced by the payments since that date, will be considerably discounted if we take into consideration that from the 30 June, 1905 to the same date this year our consolidated debt has been sensibly reduced.

The present condition of our bonds according to information given by the State Treasury and by the London and Brazilian Bank is as follows:—

PAPER BONDS

Value authorized.....	25,000:000\$000
" issued.....	23,346:500\$000

1st Issue

22,051 bonds of 500\$000 each.....	11,025:500\$000
------------------------------------	-----------------

2nd Issue

12,321 bonds of 1,000\$000 each.....	12,321:000\$000
34,372.....	23,346:500\$000

MOVEMENT TO JUNE 30TH 1906

1st Issue

6,935 bonds redeemed.....	3,467:500\$000
9,746 " converted into gold.....	4,873:000\$000
5,370 " in circulation.....	2,685:000\$000
22,051.....	11,025:500\$000

2nd Issue

4,721 bonds redeemed.....	4,721:000\$000
2,923 " converted into gold.....	2,923:000\$000
4,677 " in circulation.....	4,677:000\$000
12,321.....	12,321:000\$000

At present in circulation:

5,370 bonds of 1st Issue.....	2,685:000\$000
4,677 " " 2nd ".....	4,677:000\$000
10,047.....	7,362:000\$000

GOLD BONDS

Value of Issue.....	£ 1,500,000
Bonds in London and Brazilian Bank for conversion of paper bonds.....	£ 220,860
Bonds burnt.....	£ 485,715
" in circulation.....	£ 793,425
	£ 1,500,000

There are, then, in circulation £793,425 which at 12½ per mil réis is equivalent to.....	15,868:500\$000
Deducting from this £105,790, value of the four amortizations paid, at 12½ equivalent to.....	2,115:800\$000

We have in circulation £ 687,635 or.....	13,752:700\$000
--	-----------------

From the two respective accounts:

Paper bonds.....	7,362:000\$000
Gold bonds.....	13,752:700\$000
Total.....	21,114:700\$000

to which sum the consolidated debt is now reduced.

On the 4th of June last 110 gold bonds of £15 each of a total value of £1,650 were burnt with the usual legal formalities.

The Treasury has punctually paid the interest and amortization of the gold loan through the London and Brazilian Bank; the sum necessary for the payment of the 8th coupon due on the 1st, inst., being deposited in that Bank some time before that date.

In virtue of the authorization which you gave me by Law No. 472 of April 27th, last year, to contract a loan of 50,000:000\$ or its equivalent, I sent two representatives of this Government to Europe with the necessary powers for realizing it.

I have the satisfaction of informing you that the provisional contract has already been signed in Paris under conditions most favourable to the State, and I hope shortly to be able to give you all the details of this important financial operation which once more goes to prove the solidity of the credit of Amazonas and the confidence which is reposed in her.

Laws Nos. 473 and 474 of May 1st, 1905, laid down that the products of the industrial and professional tax (Imposto Industrial e Profissões) and the tax which was created by Law No. 415 of 9th. Sept., 1903, shall revert to the State.

The product of such taxes having been applied to the payment of interest and amortization of the loan, as I remarked above, it was deposited in the London Bank for that legal purpose and was, according to information supplied by the Inspector of the Treasury, as follows: —

Tax created by Law No. 415.....	483:019\$630
Industrial and Professional tax collected in this city.....	485:641\$859
	968:661\$480

In obedience to the new regulations and having regard to the vast extent of Amazonas the collection without fines of the industrial and professional tax (now reverted to the State) was postponed till the 30th June last, since such collection had only just begun and the amount collected in the interior of the State had not been remitted to the Treasury at the date of the above mentioned report.

□ As this is the first year in which the tax has been imposed in accordance with the new regulation there have been many claims sent in, due mostly to the wrong interpretation which those who imposed it gave to the regulations. I think therefore that some changes should be made in these regulations so as to make them more equitable.

STATE PAWN SHOPS

During your last session you were unable to occupy yourselves in regard to this benevolent institution, and the same causes which brought about the provisional measures of Law No. 469, of 18th October, 1904 still exist. I consider that the remodelling of the regulations is urgently need in order to assure it a prosperous and lasting existence.

I have now laid before you, Gentlemen, an account of the sincere efforts which I have made to be worthy of the confidence of the people. As Governor, armed with your support in the work of the economic reorganization of the State

whose difficulties though at present enormous yet happily cannot fail to disappear before the advancing plough of human activity, I congratulate myself and you; as native of Amazonas I cannot conceal the joy and confidence that I feel in your meeting, bright as it is with the hopes of a prosperous future.

The description of the various branches of the Administration of the State you can see are the result of a critical analysis. I did not dare in this message, to be submitted to the intelligent study of you all, to review the facts of our political life under a drapery of false appreciation. I preferred to lay before you a sketch, a small summary, of the general needs of Amazonas without elaboration and subordinate to the essence and foundation of Truth.

Here then you have the present situation laid before you, not brilliantly, it is true, but loyally.

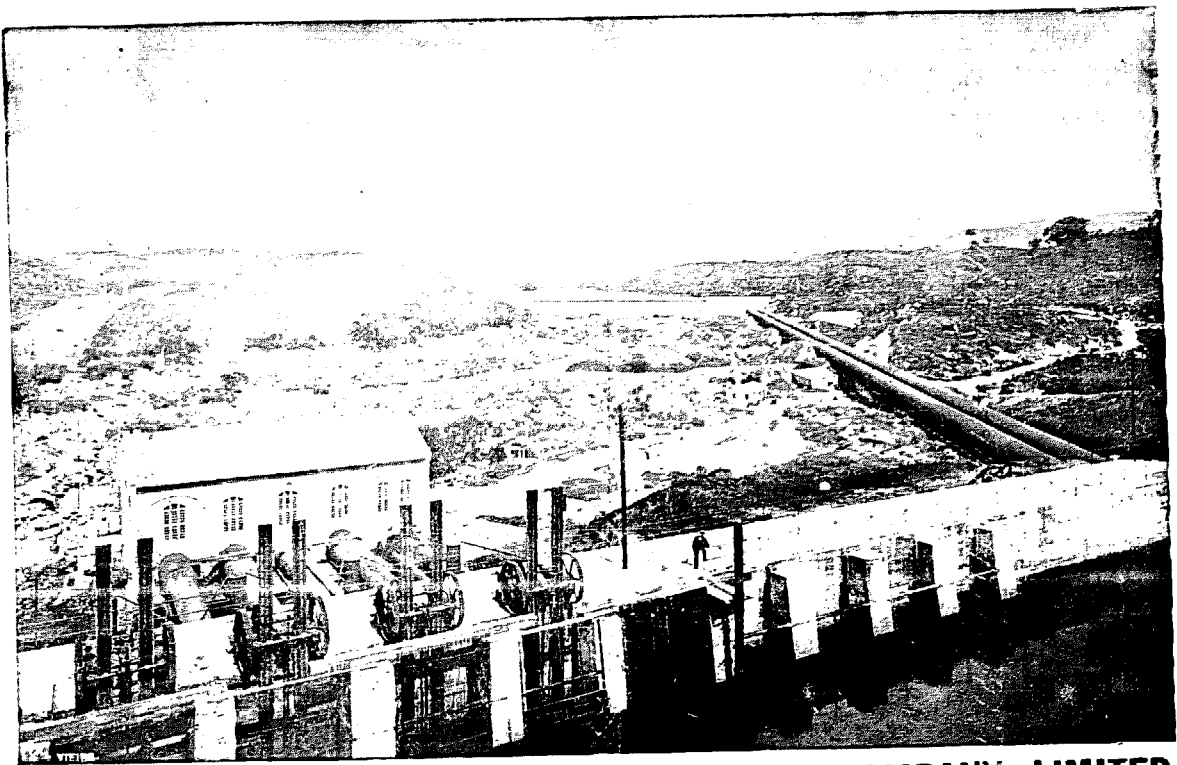
If I have not performed much, it is with the help of your enlightened judgment in the future that I hope to show how unjust the voice of criticism often is to us and the evils of immature opinion.

Concluding then with expressions of gratitude for the generous impulse which you will give to public affairs I return satisfied to the post to which my fellow citizens elected me, and, if it is difficult to gather laurels, at least it is gratifying to my conscience that I have ever given the most scrupulous care to all my acts as Governor.

Gentlemen, I salute you,

ANTONIO CONSTANTINO NERY.

Manaos, July 10, 1906.



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