

Wileman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 1

RIO DE JANEIRO, TUESDAY, July 6th, 1915

N. 27

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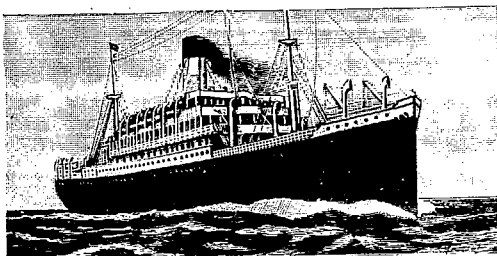
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TENNYSON.....	7th, September	TENNYSON.....	30th, »
VESTRIS.....	21st, »	VESTRIS.....	14th, December
BYRON.....	5th, October	BYRON.....	28th, »
VASARI.....	19th, »	VASARI.....	11th, January

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MAIL FIXTURES

FOR EUROPE.

- July 6.—ORTEGA, P.S.N.C., for Liverpool.
 „ 9.—DEMERARA, Royal Mail, for Liverpool.
 „ 10.—DIVONA, Sud-Atlantique, for Bordeaux.
 „ 14.—TUBANTIA, Holland Lloyd, for Amsterdam.
 „ 21.—AVON, Royal Mail, for Liverpool.

FOR RIVER PLATE AND PACIFIC.

- July 6.—AVON, Royal Mail, for River Plate.
 „ 7.—LIGER, Sud-Atlantique, for River Plate.
 „ 12.—ZEELANDIA, Holland Lloyd, for River Plate.
 „ 29.—ORISSA, P.S.N.C., for River Plate and Pacific.

FOR THE UNITED STATES.

- July 27.—VASARI, Lamport and Holt, for New York.

NOTICE TO BRITISH SUBJECTS.

New Passport Regulations. — All British Passports issued prior to 5th August, 1914, will become invalid upon 1st August, 1915. Holders of such passports can exchange same for fresh Passports.

Passports issued after 1st August, 1915, which will be valid for two years only, must bear, in each instance, a photograph of the person to whom issued. Duplicate of photograph must be lodged with the office issuing the Passport.

Only wife, and children under sixteen years of age, may be included on holder's Passport. In such cases, photograph of the wife also must be furnished, in duplicate. In case of children over sixteen years of age separate Passport must be obtained in each case. British Consul General, Rio de Janeiro, 18th April, 1915.

SYNOPSIS OF THE MESSAGE ADDRESSED TO CONGRESS BY THE PRESIDENT OF THE REPUBLIC.

The figures for Revenue and Expenditure liquidated up to 15th December last allowed for a deficiency of 36,175,028 milreis gold and 239,470,426 milreis paper, to which must now be added 183,558 milreis gold and 71,815,197 milreis paper, thus raising the total deficit to 36,358,586 milreis gold and 311,285,563 milreis paper for the operations of 1914 and years previous. Of this 13,627,848 milreis gold have been paid off by means of Treasury bills and 4,444,444 gold by bonds of the 1914 Funding issue, in all 18,072,293 milreis gold, whilst the sum of 99,839,700 milreis paper has been paid off by means of Treasury bills and 38,683 milreis paper in cash.

Obliging creditors to accept payment in Treasury bills instead of in cash is, says the President, a painful necessity to attenuate which he recommends the following procedure to be adopted. In addition to the functions already assured to Treasury bills as security for contracts, repayments of advances by the State of banks, etc., it is now proposed to admit them as security for loans by the official Montes de Socorro (pawn offices) and for the payment of debts by bankrupt estates at their full value, as also their acceptance in lieu of colices as security for deposits and for the amortisation of the internal funded debt (apolicies) actually suspended.

Exclusive of sums derived from credit operations, revenues collected during the four months, January to April, amounted to 13,725,000 milreis gold and 96,904,000 milreis currency, which may be expected to be raised to 15,000,000 milreis gold and 105,000,000 milreis currency when accounts from some outlying districts are received.

Gold revenues are now averaging 4,200,000 milreis per month, so that for the rest of the year 33 to 35,000,000 milreis may be looked for, thus raising the estimated total to 48 or 50,000,000 milreis gold.

As regards revenues receivable in currency, it would be well not to count on any increase but only on revenue for the next 8 months being about double that of the first four, i.e., 210,000,000 milreis to end of the year and on currency revenue for the whole fiscal year yielding 325,000,000 milreis paper and 50,000,000 gold, with prospects of a possible increase of currency revenues by 15,000,000 milreis from consumption dues.

Exclusive of appropriations for the different reserve funds impracticable for the moment, Expenditure, exclusive of appropriations payable in bonds of the 1914 funding issue, was estimated for the current fiscal year at 26,311,000 milreis gold and 359,000,000 milreis paper in round numbers. Estimated Revenue and Expenditure in milreis should then compare as follows:—

	Milreis	Gold	Paper
Revenue	48,000,000		335,000,000
Expenditure	26,000,000		359,000,000
Surplus gold		22,000,000	
Deficit Paper			24,000,000
Conversion of gold at 16d.			37,000,000
Ultimate surplus, paper milreis ...			13,000,000

The above figures show that current revenue should more than suffice to meet the expenditure allowed for by the estimates for the current fiscal year, but evidently not for meeting extra-budgetary expenditure incurred by the different ministries, some of it indispensable but other perfectly avoidable. The following is a sum-

mary of extraordinary expenditure resulting from the insufficiency of the appropriations voted in last year's budget:—

	Gold	Paper
Ministry of Justice:		
Extra sessions of Congress		3,930,000
Police		50,000
Foreign Affairs		15,000
Viação (Public Works)	6,884,000	
Itapura Railway		2,935,000
Post office at Amazonas		10,000
Bar of Rio Grande	9,000,000	
Account, Varangure Filho		25,000
Ditto, Carlos Pereira		5,000
Ditto, F. S. Peixoto		8,000
Inspecção do Portos		687,000
Ditto		2,556,000
Personnel and material Rio and Perbuco		1,749,000
Material, incl. contracts expropriations&c.		9,957,000
Interest, Port Victoria		748,000
Central Railway, coal		16,000,000
Ministry of Marine		
Neutrality		1,000,000
Sundry	100,000	10,000,000
Ministry of War		
Supplementary expenses		6,252,000
Military attachés	50,000	
Operations in contested territory		1,500,000
Ministry of Africulture		
Supplementary service		2,300,000
Other services		1,000,000
Authorised by estimates		400,000
Colonisation, extraordinary		750,000
Ministry of Finance		
Caixa Amortisação	140,000	
Service foreign debt	436,000	
Interest on Treasury bills, paper		9,000,000
Ditto, gold	2,500,000	
Deficit, Caixas Economicas		20,000,000
	19,110,000	90,877,000

A good deal of this extraordinary expenditure may easily be eliminated; for example, once the position of the Central Railway is normalised, the extraordinary expenditure under this heading should disappear. Withdrawals from the Caixas Economicas (State Savings Banks) are now balanced by deposits. The above total represents the maximum deficit, that the President believes may be reduced to 70,000,000 milreis, for payment of which further credit operations will be necessary.

The quickest method of financial and economic regeneration, says the President, would be by the creation of a section of re-discounts in the Bank of Brazil and authorisation by Congress of the following measures:—

(a) Stimulation of the circulation of Treasury bills by enlarging their functions;

(b) Liquidation of the floating debt of 1915 by means of similar securities.

(c) Suspension of special reserve funds.

(d) Opening of credit duly guaranteed by hypothecation of special revenues for increase of the capital of the Bank of Brazil and institution of a system of re-discounts.

(e) Issue by the Bank of Brazil on the security of Consols and of the Fundo de Garantia (Paper Money Guarantee Fund) and other values to the total of £4,000,000, to be advanced by Government for a period of five years, with amortisation at the rate of 20 per cent. and interest at 2 per cent. per annum.

(f) Increase of rate of interest on deposits in Caixas Economicas.

(g) Measures for protection of national production.

[Year by year Government protests against excess expenditure by its departments without apparently the slightest effect. So much so, indeed, that supplementary estimates have some-

times exceeded the authorised expenditure and observers come to believe that no reliance whatever can be placed on official estimates of expenditure or revenue, the latter invariably being far below the mark and the former above it. Perhaps it is due to the ingrained optimism of the Brazilian character. Anyhow for the moment the failure to again cut the national coat in accordance with the national cloth will result in a fresh and heavy deficit that there is no means of liquidating except by fresh issues of paper money or "sabinas", as Treasury bills are now termed.

The floating debt, inclusive of the deficit for 1915, would stand as follows:—

	Milreis	Gold	Paper
Accounted for to 15 December ...	36,175,028		239,470,425
Extra to date of Message	183,558		71,815,197
Total for 1914 and preceding years	36,358,586		311,285,622
Deficit 1915 (estimated)	19,110,000		90,877,000
		55,468,586	402,162,622
Paid in funding bonds	4,444,444		
Paid in cash			38,683
		51,024,142	402,123,939
Paid in Treasury bonds to date...	13,627,848		99,839,700
Still to be liquidated	37,396,294		302,284,239

The fact that, so far, out of the total 402,323,939 milreis paper, Treasury bills to value of only 150,000,000 milreis paper have been issued and even so are unsaleable in this market at 75 per cent. of their nominal value, is the measure of the ultimate depreciation these securities must reach should Congress approve further issues on a scale so gigantic. It is not so much that there is not money enough in circulation or savings enough to absorb them, but because at the rate liabilities are increasing it is evident that under no possible circumstances can revenues suffice to meet the increase of fixed obligations and that, ultimately, bankruptcy would ensue. Reduced to paper at, say, 12d., the value of 51,024,142 milreis worth of gold Treasury bills would amount in currency to 114,804,320 milreis and the interest at 5 per cent. to 5,740,216 milreis paper per annum. On 402,123,939 milreis, the value of the Treasury bills proposed to be issued, interest at 6 per cent. would amount to 24,127,436 milreis and the total gold and paper to nearly 30,000,000 milreis paper per annum.

For the service of the internal funded debt for 1915, before an issue of Treasury bills was thought of, the appropriation was 36,000,000 milreis paper.

Should the proposed issue of Treasury bills be approved by Congress, the service of the internal debt will be raised to 66,000,000 milreis or nearly double! Taxation has been raised to a limit that cannot be exceeded without seriously impeding development and the expansion of revenue on which alone the Treasury can depend to meet additional expenditure.

It is clear that nothing in the way of real economy of expenditure can be counted on. The prospects of economic expansion could not be worse; so long as the war lasts and probably for years after consumption of our products seem likely to be at a minimum.

Revival of credit abroad is not to be counted on even after the war ceases, seeing how great has been the destruction of capital and savings and how incalculable the demands on it will be on the part of the belligerent nations.

Immigration, too, is likely to experience a setback for years, in view of the necessity of repairing the ravages of war on the European population.

Everything points in fact to the necessity of Brazil depending exclusively on its own resources for years to come. By adding to the funded debt, we merely increase obligations without providing for their payment.

The annual external obligations of the country are now reduced to about £1,000,000, which at 12d. costs 20,000,000

milreis per annum, whilst internal obligations would, inclusive of issues of fresh "sabinas," cost 66,000,000 milreis or £3,300,000. Exchange might, therefore, drop to 8d. before depreciation would bring up the cost in paper money of the service of the foreign debt plus the proposed issue of sabinas to that of the actual internal debt.

It is possible, but not at all certain, that the further issues of paper money would in the actual abnormal conditions of the world's money market, bring about a further heavy fall of exchange. But even if that were to occur, might it not be the most equitable way of distributing the responsibility for extravagance, the President alludes to, amongst every class of the community instead of making it fall on one class alone?

As for the proposal to issue more money to bolster up the Bank of Brazil, nothing would seem to promise greater disaster. As far as can be understood, it is proposed to issue paper money at an undetermined rate of exchange to value of £4,000,000 on purely nominal security. The consols referred to in the message are, it is to be presumed, those of the Bank of Brazil, figured in the balance sheet at £1,180,000. These at 65 per cent. of their nominal value are to-day worth about £708,000. Besides as far as can be judged from the suspension by the Bank of Brazil of drawing operations, these consols must have either disappeared or be mortgaged as security for other engagements. The Fundo de Garantia long since ceased to exist except in the books of the Treasury. Government has set its face deliberately against paper issues even for liquidation of its debts to our own market and yet now proposes to issue 60,000,000 to 80,000,000 milreis more to bolster up an institution that since its foundation has, more than any other, been an instrument of the depreciation of the Brazilian currency.

There are rumours that the inner meaning of this enigmatical proposal is the acquisition by the Treasury of the £5,000,000 remaining at the Caixa de Conversão at arbitrary rates to serve as security for the issue in aid of the Bank of Brazil. Only 18 months ago deposits of gold in the Caixa were over £18,000,000 and at the end of February, 1913, over £26,000,000. If £21,000,000 have, in the course of a little over two years gone to liquidate unfavourable balance of payments, how long, even the help of the funding loan, are £5,000,000 likely to last?

The President talks of protection of production, but, in reality, the policy of unlimited issues of interest-bearing obligations, far from protecting, only adds to the heavy burdens production has already to contend with. The best possible protection would be to reduce taxation on imports and particularly on exports and so let production have a chance of competing with other countries. But, far from that, Government seems to think that all that is necessary to righten a situation made desperate by mismanagement and maladministration is to pile on the agony of taxation until, like rubber, one by one everyone of our staples, except coffee, which fortunately is still our virtual monopoly, disappears from the list of our exports.]

NOTES

The Finances of the State of Minas. As was to be expected, revenue fell off sharply in consequence, firstly, of what may be termed the Balkan crisis and afterwards of the war. Revenues derived from Exports, inclusive of the super-tax on coffee, show a decline compared with 1913 of 4,229,592\$ in currency, in spite of the effect of the premium on gold resulting from the fall of foreign exchanges.

While total revenue for the year 1914, inclusive of 3,294,521\$ realised by sale of State apolices or bonds, amounted to only Rs. 27,465,103 milreis, Expenditure amounted to 33,914,512 milreis thus leaving a deficit of 6,449,407 milreis. The only remedy for so unhappy a state of affairs is, says Dr. Delphim da Costa Moreira, the President of the State, the strictest economy. We doubt whether economy alone will ever solve this problem. What seems to be wanted is not so much to cut down expenditure, much of it

unavoidable, as to stimulate production by removing obstacles to its development.

Depreciation of the currency is by no means an unmixed evil. If it makes foreign payments more costly, it on the other hand, tends to reduce the cost of production and so compensates producers to some degree for the burdensome export duties they are subjected to.

The mining industry would particularly gain by the depreciation of the currency and reduction of cost of labour were it not that every evidence of reviving prosperity is, almost invariably, closely followed by increase of taxation.

What is ruining this country is not low exchange, which is an effect, but the cause of it—burdensome export duties—which have already crushed the rubber industry and will in the course of time crush every other that does not, like coffee, enjoy a virtual monopoly.

For the last five years revenues, inclusive of loans and sales of apolices, were as follows:—

1910	.....milreis	20,035,165
1911	.....	23,711,702
1912	.....	29,261,999
1913	.....	31,487,395
1914	.....	27,465,104

The foreign funded debt consists of two loans, both issued by Perier and Co., of Paris, one in 1910 for the consolidation of outstanding issues to value of 120,000,000 francs and the other in 1911, for which the municipalities and the state were jointly responsible for 50,000,000 francs. Amortisation of the former should commence in January next and the funds be in the hands of the French bankers by December. Amortisation of the 1911 issue only commences in 1917. In 1913 the service of the two loans cost 5,086,802 milreis, equivalent at 11 17-32d. to 6,150,200 francs, or about £250,000, which with amortisation next year will be raised to some £275,000, payable half-yearly in December and June.

The internal funded debt was unaltered at 53,641,200 milreis in 5 per cent. apolices. The floating debt at the end of the fiscal year comprised:—

Funds of absentees	.....milreis	174,895
Deposits on security	.....	2,845,313
Orphans' funds	.....	2,916,602
State Savings Bank (Caixa Economica)	.....	6,472,926

Total, 1914	.....	12,409,736
Total, 1913	.....	12,737,768

Value of exports in milreis:—

1910	.....	155,280,000
1911	.....	197,096,000
1912	.....	237,443,000
1913	.....	222,131,000
1914	.....	164,385,000

The falling off of revenue, amounting to 57,748,000 milreis in 1914, is accounted for by the shrinkage or increase of different staples as follows:—

	Decrease.	Milreis.
Coffee	37,898,000
Cattle	5,799,000
Cheese	2,610,000
Lumber	2,079,000
Swine	2,002,000
Butter	1,935,000
Mineral waters	1,284,000
Lime	1,014,000
Fowls, etc.	1,012,000
Goats	613,000
Spirits	560,000
Cocoa	512,000
Bacon	492,000
Gold, bar or dust	354,000
Milk	294,000
Sundry	1,216,000
		59,674,000

Increase:—

Manganese	930,780
Rice	557,159
Beans	191,478
Charcoal	139,502
Sundry	503,295

2,322,214

The quantity of coffee exported by the State was 18,530,833 kilos or 308,847 bags less than 1913 and its export value 490 reis per kilo in 1914 as against 680 reis in 1913.

The financial position of the capital, Bello Horizonte, is as follows:—

Revenue collected, 1913	milreis	1,092,281
Revenue collected, 1914		1,263,474

It is impossible to gather from the message what the expenditure of the municipality really was, though confessed to have largely exceeded revenue.

So far, in spite of the falling off in the value of its exports and depreciation of exchange, the State of Minas has struggled manfully to maintain its credit abroad and at home. Should coffee and exchange fall much lower, the position might undergo a radical change. It is therefore to be hoped that the State of Minas will do all in its power to cooperate in the proposals that will shortly be laid before Congress for the maintenance of both coffee and of exchange.

The Fourth of July. Every year this anniversary comes round reasons for congratulation may be found in the fact that though divided politically, Anglo-Saxon communities are all solid in the defence of the fundamental principles of right and liberty, throughout the world.

Germany claims the right not only to wage war but to set aside the accepted conventions of warfare and modify or annul its rules as pleases her. "It is," as an American writer says, "not important that any one nation should survive, but it is important that human good faith should be safeguarded and preserved inviolate, even in the hell of war, as of more worth than life itself."

America, and, indeed, all civilisation, are fortunate in finding in the President of the United States a statesman who has grasped the fundamental issues of this struggle and its consequences to humanity and made up his mind on which side his personal influence shall be thrown, all the more powerful because uninterested and pacific in tendency.

Peoples may be swayed by sympathies and ties of blood to favour one side or another. But for the ruler the ideals and the welfare of his own particular community must come before any other consideration.

The people of the United States have always refused to take part in European conflicts, and so long as the struggle was one between nations or even between different conceptions of civilisation, the United States could have no place in it. But now that this stage has been passed and has become a war between order and chaos, the welfare of the United States is affected as deeply as our own and must, if others fail, oblige that country, however unwilling, to take up arms too in its defence.

Lessons of the War.—Protection. There is one lesson that Englishmen of all economic opinions, whether free-traders or protectionists, are likely to lay to heart and that is that it is not well to depend on outsiders. For lack of aniline dyes the greatest of British manufacturing industries seems likely to suffer severely and so it is with a number of other branches in which we have relied entirely on Germany.

Tungsten, for example, is an essential for making high speed tools, of which Germany supplied 90 per cent. before the war.

"Letting Germany do it has," says an American exchange, "damaged the ideas of many free trade leaders in England since the war broke out and Germany gave up the job," and we may add, combined with the natural resentment in England at Germany's barbarous practices, may be counted on for a reversal of British sentiment in respect to free trade if not for a positive boycott of everything German at the end of the war.

Explosive Kills by Asphyxiation. The rumour in circulation since the beginning of the war to the effect that the French were in possession of a secret explosive capable of destroying life on a scale not heretofore dreamed of, by the production of deadly asphyxiating gases, has been confirmed by the French military authorities. This explosive is called turpinitite, and is the discovery of M. Eugene Turpin, the inventor of melinite. It has already been used in a limited way and the statement is now made that preparations have been completed for using it on a large scale in the coming operations against the Germans.

At the opening of the war the effects of exploding turpinitite were familiar to the experimenters working with it in the laboratory. It could only be exploded by vibration, and at that time there seemed no safe way of firing it from a gun, for the reason that the vibration caused by the discharge of the projectile was likely to explode it before it had got clear of the gun. With a new fieldpiece invented in December, it is possible to fire shells charged with turpinitite without danger to the firing party, and it is reported that the French and British arsenals have been busy day and night since then making the shells and the guns for firing them.

When the shell explodes, the gases caused by the explosion spread over the ground in a circle having a diameter of about 100 yards. The gases produce paralysis of some of the vital organs of the body, with the result that every living thing within this circle is killed instantly and painlessly, and, so far as is now known, there is no defence against nor antidote for the action of these gases. If the turpinitite does all that is claimed for it, trenches will furnish practically no defense against it. The gases from a shell exploding within fifty yards of the trench will simply settle into the trench and kill the men sheltered in it. Shrapnel-proof and bomb-proof covers will be of little use, for the gases in their deadly work will find their way through the smallest opening.

What Shrapnel Costs. How much copper is used in the manufacture of shrapnel? How much steel? What other metals? What is the cost? These are the questions Wall Street is asking.

Expressed in the language of Wall Street, shrapnel is costing the European countries now at was about \$18 each on the firing line. Manufacturers in this country and Canada are getting from \$15 to more than \$16 for each shell, the additional expense to the foreign countries being cost of transportation and, in certain instances, filling the cartridge case with powder abroad.

From the point of view of engineers shrapnel, one of the most effective agencies for the destruction of human life yet devised, is an extremely complex mechanism, its complexity being shown by the sub-contracting of the order received by the Canadian Car and Country Co. among fifty concerns in the United States and Canada. That company's order called for 5,000,000 shrapnel at an approximate cost of \$83,000,000, or \$16.65 each. Close to 20,000,000 pounds of copper are being used in their manufacture, or about four pounds to each shrapnel.

The complete shrapnel is composed of three principal parts: (a) The time fuse. (b) The projectile, a hollow steel shell filled with bullets and a bursting charge of black powder. (c) A brass cartridge case filled with smokeless powder to shoot the projectile from the gun. This brass cartridge case is similar to the shell of an ordinary rifle or revolver cartridge.

The time fuse is a very complicated mechanical device which may be set to burst the steel projectile any number of seconds or feet after it has left the muzzle of the gun. It is as delicately constructed as a watch or a safe lock and is made largely of brass and alloys of aluminium.

The time fuse is screwed into the point of the steel projectile, the projectile is filled with small bullets, usually about 250 in number, and is exploded by means of a charge of black powder seated at the opposite end from the time fuse. When it explodes the bullets are hurled over a range of about 250 square yards. The bullets are 88 per cent. lead and 12 per cent. antimony.

The cartridge case is from a foot almost two feet long and is made of sheet brass and filled with smokeless powder. It is set

off by a percussion cap and will hurl the projectile up to 6,000 yards, making that distance in a trifle less than 20 seconds.

The smokeless powder in the brass tube differs slightly in form. The American powder is granular, the British and Russian crystalline, and the German and French stick form. Smokeless powder consists essentially of guncotton acted on by a solvent such as acetic ether or acetone. The English cordite is 58 per cent. nitroglycerine, 37 per cent. guncotton and 5 per cent. mineral jelly.

The brass shell usually is made from a forging, although bar stock occasionally is used and is machined to the desired shape, which accounts for much of the expense of manufacture. In the case of some of the smaller shells the steel casing, or "bottle," is blown by the seamless tube process. Various methods are employed in the manufacturing process, numerous improvements having been made in the past few months.

Machinery trade authorities point out that by one of the latest methods the production of a three-inch, fifteen-pound shell from bar stock requires 22 pounds of material, which usually costs about 10 cents a pound, making the cost of the steel projectile, exclusive of machinery, \$2.20. The same shell can be produced on a power forging machine with about 9½ pounds of metal which cost slightly less than \$1, thereby resulting in a saving of \$1.20 a shell according to Douglas T. Hamilton, associate editor of "Machinery."

The steel bullet required for the 18-pounder, the British shell, which, incidentally, is larger than any of the shells used by the other leading countries, is 3½ inches in diameter and 4½ inches long. The tensile strength of the shell after heating is 80,000 to 90,000 to the square inch.

The cartridge case is made from a blank metal disc of two parts of copper and one part zinc. The completion of the case requires several drawing and re-drawing operations. It can be reloaded and used over and over again.

Recent necessity has greatly aided the development of the shrapnel with its marvellous death-dealing qualities, the most important improvement being a method whereby the explosion of the shell can be effected right at the mouth of the gun, if necessary, where it sprays out its hail of bullets.

Heretofore, the small gun lost much of its effectiveness in close range fighting, for once the enemy's cavalry got beyond a certain point, it easily could put the machine and the gun crew out of service. With the new device, however, the gun is deadly effective until the last member of the gun crew is injured or dead.

The other big advance in its effectiveness is the operation of the machine by one man, if necessary, who can feed in the shrapnel at an unreduced rate, even though all the other members of that particular gun crew are out of commission.

There is another kind of shell, but it is much less used. It is a high power shell, wherein acid of the most violent nature is used as the bursting charge, and which combines with the steel fragments in adding to its deadliness.—"Wall Street Journal."

Pour quelque chose malheur est bon! One pound shares of Corstalds, the great crepe manufacturers, are quoted at 60s.!

The Sinews of War. That it takes time to catch up with Germany, after 25 years start in preparation for a war regarded by that country as inevitable, it not to be wondered at. Everything had to be organised, supplies of men, ammunition and material of every kind, not only for actual but potential allies like Roumania, Bulgaria and Greece, who might have joined already were it not for the evident incapacity of the Allies to keep them supplied with munitions of war.

Italy did well to prepare thoroughly for the struggle before casting in her lot with the Allies, nor is the lesson of the Russian retirement likely to be overlooked by doubting countries. It is useless for any country to throw in its lot with one side or the other unless it can count on unstinted supplies of the sinews of war in the shape of money, armaments and munitions. The two last Germany appears to be able to supply *ad libitum*, not only for her own forces but for her allies, but as regards money and foodstuffs, the pull will be with the Allies so long as they hold command of the sea.

Within a few months, at most, there will, too, be munitions to spare as soon as the immense preparations in Great Britain and the United States have had time to mature.

So far export of war munitions from the United States on a large scale has not commenced and will only reach its full volume in the autumn, when the deliveries of enormous orders placed with manufacturers since the opening of the year, will be on the way in quantity.

Orders to the value of £100,000,000 worth of shrapnel, rifles, cannon, cartridges and other ammunition have been placed with American industrial companies by England, France and Russia, delivery of which will only commence in August and September, the intervening period being requisite for the transformation of their plants from manufacturing cars, rails and electrical devices into manufactories of war material. It is calculated that six months must elapse from dates of contracts before shrapnel could be delivered on a big scale and a similar period for delivery of rifles by new firms.

The Allies have pursued the war hitherto with but little assistance in the way of ammunition from America, but from October onwards their contribution to the struggle that, as Mr. Asquith said, is to decide the future of humanity, will increase immensely and so set free more labour in allied countries for purely military purposes.

For the assistance America is lending to the cause in this manner, the Allies can never be too grateful. It is this and unlimited supply of money that, better than any alliance or direct intervention in the struggle, will bring about a final and definite solution.

Arma virumque cano! Now how about money? The formation of a coalition ministry in England is the evidence of the determination to carry the war to a decisive issue on the part of all political parties. In the prosecution of the struggle it may be necessary to suspend temporarily the individual liberties we are so proud of and to even substitute conscription for voluntary military service and force unwilling workers to greater exertion. When the very existence of the country is at stake, it is no time to quibble about liberties that would disappear altogether were Germany to win!

It would have been beyond the power of a party so closely identified with labour, to pass such measures unassisted, howsoever patriotic its leaders might be. Now that the whole country is politically united in its determination to carry this war to a successful issue, no essential measure will, we may be certain, be neglected to ensure it.

Coalition failed before because councils were divided. Now we are practically all united to see this job through and to force recalcitrants, if necessary, to play their part too in the struggle for life and liberty.

The first fruits of the Coalition are authorisation by Parliament to raise money *ad libitum* and the temporary suspension of trades unions that by the unpatriotic shirking of certain members were curtailing supplies of war materials.

It is evident that so far the forces at the disposal of the Allies are insufficient to do much more than stand on the defensive. Germany and Austria are said to have ten million men under arms and their offensive is still formidable. The Allies want more men and it is only in the British Empire that large reinforcements can be recruited, so that conscription would seem but a matter of time.

The Patriotic League. Subscriptions to end of June:—

Previously acknowledged	£1,170	3	3
May, League Fund	£72	3	1
June, ditto	68	3	10
May, Warship Fund	16	16	0
June, ditto	7	16	3
May, National Relief Fund	51	11	11
June, ditto	44	4	9
May, Belgian Relief Fund	17	17	0
		278	12 10
Total to end of June	£1,448	16	1

James Ross, Hon. Treas.

MANGANESE

Exports from Brazil, tons of 1,000 kilos:—

	1,000 Tons			4 mos, Jan.-Apr.		
	1910	1911	1912	1913	1914	1915
United Kingdom	55	42	25	17	24	10
Ditto, orders	33	17	—	9	51	7
Total, U.K. and orders	88	59	25	26	75	17
United States	59	50	83	59	88	27
Germany	15	14	20	5	—	—
Belgium	29	35	11	12	11	—
France	35	8	10	—	11	—
Italy	—	3	—	6	—	—
Others (incl. Holland).	17	5	6	15	—	—
Total all countries	243	174	153	125	184	59

Imports of Manganiferous Ores into the United Kingdom, tons of 2,240 lbs:—

	1,000 Tons				4 mos, Jan -Apr		
	1910	1911	1912	1913	1914	1915	1915
Russia	157	138	164	242	No details		
India and Brit. Colonies	218	141	169	309	No details		
Others, ex Brazil	27	9	27	32	No details		
Total (avoirdupois	402	288	360	583	No details		
Brazil (metric tons) ...	80	71	28	19	No details		
Total imports, Gt. Brit.	482	359	388	602	No details		

Imports of Manganiferous Ores into the United Kingdom, tons of 2,240 lbs:—

	1,000 tons.				
Spain, Greece, etc.	172	216	164	212	65

Imports of Ferro-manganese into the United Kingdom, tons of 2,240 lbs:—

	1,000 tons.			
Sweden, Holland, France	33	31	49	31

Exports of Manganese Ore from the United Kingdom, tons of 2,240 lbs:—

	1,000 tons.				
Belgium	1.5	2.7	5.3	8.4	No details
United States	1.7	1.4	1.2	0.3	No details
Other countries	0.1	0.1	1.7	—	No details
	3.3	4.2	8.2	8.7	No details

Exports of Ferro-manganese from the United Kingdom, tons of 2,240 lbs:—

	1,000 tons.				
British production	160	138	162	—	64

Imports of Manganese Ore into the United States, tons of 2,240 lbs:—

Fiscal Year	1,000 tons.				
	1909-10	1910-11	1911-12	1912-13	1913-14
Belgium	0.7	1.4	0.6	—	0.2
France	4.5	3.4	4.2	0.4	0.7
Germany	4.4	4.9	2.4	2.9	1.6
Holland	0.8	0.2	1.0	—	—
Russia in Europe	0.5	0.8	5.5	13.6	34.8
United Kingdom	2.4	0.9	0.8	0.2	0.2
Canada	0.4	—	0.1	—	—
Brazil	45.7	57.7	63.7	71.3	72.2
British India	138.8	130.8	98.1	167.3	115.7
British Colonies	—	—	—	5.6	—
Japan	1.4	—	—	—	—
Russia in Asia	38.0	9.1	21.6	125.7	63.3
Total	237.6	209.2	198.0	387.2	288.7

Imports of Ferro-manganese into the United States, in tons of 2,240 lbs., entered for domestic consumption for year ending 30th June, 1914, 93,786 tons.

Complete statistics of the production and consumption of manganese and manganiferous ores are difficult to obtain. We have, however, tabulated those for exports from this country and imports by the two principal consuming countries, the United Kingdom and United States, in a form that will admit of very approximate conclusions as to the comparative development of the manganese industry in this and other countries.

Judging from imports of manganese ores into the United Kingdom in 1871, this now great industry was then in its infancy, the total of all origins, Brazilian, Russian and Indian amounting to only 71,742 tons, whereas as early as 1905 imports from all destinations, inclusive of Brazil, had reached 594,334 and by 1913 947,093 tons! In detail, figures for 1905 and 1913 compare as follows:—

Manganese ores only	1913 Tons	1905 Tons
Imports by United Kingdom from Brazil	18,792	67,743
Ditto, from India	308,790	71,742
Ditto, from Russia	241,520	87,812
Total United Kingdom	569,102	227,297
Imports by United States from Brazil	71,300	110,004
Ditto, India	167,319	257,033
Ditto, Russia	139,372	
Total, United Kingdom & United States .	947,093	594,334

Whilst imports by these two countries from Brazil show a falling off of 35 per cent. during the eight years, 1905-1913, those from India and Russia more than doubled!

For 1905 no statistics are available for imports into either country of manganiferous ores, of which 212,000 tons were imported into the United Kingdom from destinations other than Brazil in 1913.

Inclusive of manganiferous ores, a million and a quarter tons of ores were imported into the two countries in all in 1913, of which only 18,792 tons from Brazil.

The above figures do not, of course, represent the total exported by Brazil, Russia or India to all destinations, but merely the trade in those ores with the United Kingdom and United States. Brazil alone, for example, besides shipments to those two countries, exported 46,630 tons in 1905 to other countries and 40,000 tons in 1913.

In 1913 total exports of manganese by Brazil to all destinations were 125,000 tons, as against 243,000 tons in 1905, a shrinkage of 48.5 per cent.!

Inclusive of manganiferous ores, imports into the United Kingdom in 1913 amounted to 616,000 tons, as against only 198,000 tons by the United States.

Little of this was re-exported, as the foregoing tables show, but utilised for home industries and particularly for manufacture of ferro-manganese, of which 162,000 tons were exported in 1912, the last date for which figures are available. Since the outbreak of war manganese has been declared contraband of war, further exports from India having, consequently, been prohibited. The closure of the Dardanelles has likewise stopped exports of ores from European Russia and from Asiatic districts via the Persian Gulf if not stopped altogether, they must be very difficult.

As regards ferro-manganese, the United Kingdom occupied much the same position as Germany with regard to aniline dyes.

Imports into the United Kingdom alone in 1914 amounted to 93,786 tons, so that, prevented as the States would now seem to be from importing both manganese ores from India and Russia and ferro-manganese from the United Kingdom, the fact that exports from this country (Brazil) are not much more active than they actually are is certainly remarkable.

In spite of all, exports from Brazil to the United States were only 16,150 tons for the 4 months, Jan.-April, as against 27,450 tons for same period last year, whilst, in spite of her virtual mono-

poly of the Indian trade, exports from Brazil to the United Kingdom amounted to 7,200 tons.

The Board of Trade returns show no exports of manganese ores for the first four months of 1915 and of only 14,181 tons of ferro-manganese to all destinations.

It is, however, to be concluded that the embargo on exports of manganese and to some extent on ferro-manganese has been relaxed in favour of the United States in order to obtain delivery of the enormous supplies of war materials in which manganese is an essential for some branches of their manufacture.

Otherwise the failure of the Brazilian trade in manganese with the United States to react would seem incomprehensible.

The explanation will be found, likewise, in the excessively high freight rates ruling for manganese. When the war broke out large contracts for delivery of manganese had been entered into by Brazilian producers on the basis of freight rates of 13s. 6d. per ton. On the outbreak of war rates rose to 47s. 6d. and contracts were promptly rescinded by owners.

Since then they have dropped to 30s., whilst for the United States something has been done with sailers as low as 16s. 6d. The latter, however, is an exception, due to offers of a number of American schooners that brought out coal from Baltimore and Virginia being just at that moment on the lookout for a return cargo. Only a month ago rates for Baltimore were as high as 27s.

As to what freight rates to the United Kingdom and United States ports may actually be from India we have no knowledge. The fact, however, that in spite of the difficulties in the way of exports from India and Russia to the United States, the movement between Brazil and America shows no reaction but positively a falling off is worth investigation.

Brazil has quite a large fleet of merchant sailing vessels that, one might imagine, could be profitably employed in the transport of manganese to the United States with coal for the return trip.

It seems likely that intimate relations between India and the United Kingdom will give permanent advantage to production of that origin. With regard to other countries, particularly the United States, there seems no reason why, with adequate transport facilities by rail and sea, Brazil should not be able to compete for the trade with such countries against Russia and India. The main difficulty would appear to lie in securing oversea freights at the same rates as competitors, in which the Lloyd Brasileiro might advantageously co-operate.

The true moral, however, that the foregoing statistics point is the folly of killing the goose that lays the golden egg.

What with protection of national industries, suicidal export duties and insane inter-state taxation and ridiculous navigation laws, the cost of production of every kind and description has been raised to such a level as to make competition in normal circumstances in some cases impracticable and in nearly all unprofitable.

Rubber is almost dead, the victim of iniquitous taxation. The sugar industry survives only by extortion of home consumers, and, by an accident of war, of better sterling prices abroad. Cotton for the moment is defunct and stocks being warehoused up-country and all over the country producers are looking for salvation to further depreciation of the currency. That this should be possible goes to show how grievously wrong the whole system of taxation unhappily is in this country!

The week was uneventful from the exchange point of view. Bank rates opening on Monday at 12 9-16d., rising to 12 1/2d. by Wednesday, but dropping again slowly and closing on Saturday with banks drawing at 12 19-32d. and money in the banks at 12 11-16d.

A report is current that somehow the Government has arranged a credit in London or New York and that all requirements are covered until September. This, if true, would account for the relative steadiness of exchange about 12 1/2d., in spite of the lack of coffee bills.

Gold to the amount of £336,303 left the Caixa during the week under review, reducing deposits to only £5,635,846.

There has been some selling ahead at Santos, but not on a scale to account for the steadiness of exchange rates. The position of coffee, in fact, is too uncertain to permit of any forecast as to what the course of prices may be. They may fall, in fact, certainly will if the Allies insist on their embargo and nothing be done to counteract it. On the other hand, they may rise precipitously should valorisation be determined on. It is all in the lap of the gods; i.e., of the politicians who pull the strings that work the cradle.

The statistics of Imports and Exports for May show the latter to be stationary at about 2 1/2 million sterling per month and exports, of course, fell off as the coffee crop neared exhaustion. Still there was a balance in favour of exports of £10,546,000 for the five months, January-May, as against only £3,606,000 for same period last year and a balance of £4,583,000 against exports in 1913.

This is, of course, ancient history as far as exchange is concerned and useful only as an indication of the manner in which liabilities to foreign creditors are being wiped off.

Exports of gold for the five months amounted to £3,213,000 and with the balance in favour of exports of merchandise, make up £13,744,000 (deducting the imports of specie of £15,000) which have gone towards liquidation either of government or commercial obligations abroad or both!

That money, however, is spent and done with and can exercise no influence in the future on the course of exchange, except in so far as it shows that the market is free from liability to that extent.

What are the prospects of coffee? That is the question that interests the exchange as well as the coffee market itself.

Will there be valorisation and price go up? or will there not be valorisation and with a big crop and declining consumption will prices go down?

It is really on the manner this question is handled that the future of exchange will depend.

It is quite possible, probable even, that whatever happens exchange may rise in August and keep up for a time. But if prices decline very much, the periodic insufficiency of the supply of bills to meet the demand about March will merely set in earlier than usual and the reaction be more delayed and perilous.

That speculation will take advantage of so favourable an opportunity to bear rates is but a foregone conclusion.

The message of the President apropos of the financial situation does not give much of a lead, but seems to leave the matter mostly to the decision of Congress, which so far would seem to favour fresh issues.

The market is practically bear of bills, embarques during the past week were only 123,278 and sales 52,535.

MONEY

Rio de Janeiro, 3rd July, 1915.

Closing Rates were as follows:—

	90 days' Bank	Commercial	Sovs.
Saturday, 26th June	12 19-32	12 11-16	19\$400
Monday, 28th June	12 21-32	12 25-32	19\$400
Tuesday, 29th June	12 21-32	12 1/2	19\$400
Wednesday, 30th June	12 1/4	12 7-8	19\$300
Thursday, 1st July	12 21-32	12 1/2	19\$300
Friday, 2nd July	12 9-16	12 11-16	19\$400
Saturday, 3rd July	12 19-32	12 11-16	19\$500

Gold Deposits at the Caixa de Conversão:—

19th February, 1913 (maximum) ...	£26,772,300
31st December, 1913	£8,400,501
31st December, 1914	9,280,525
31st January	8,600,396
27th February	8,154,394
31st March	7,693,884
30th April	7,165,344
31st May	6,707,238
12th June	6,248,385
19th June	5,972,149
3rd July	5,635,846

During the week ended July 3rd, gold to the amount of £336,303 left the Caixa, reducing notes in circulation to Rs. 103,866,680\$.

The Emergency Issue. The statement for 3rd July is as follows:—

Received from Caixa de Amortisação	149,600:000\$	
Withdrawn and burnt	10,022:551\$	
Balance of authorised issue at Caixa de Amortisação	400:000\$	
Loaned to banks	100,000:000\$	
Interest deposited to cover expenses of issue	8,428\$	
Repaid by banks on account of amort. and int.—		
Cash	4,458:650\$	
Treasury bills	71,994:600\$	
Interest on same	118:434\$	
Expenses of issue	36:428\$	76,608:112\$
		336,639:091\$

Alterations since 26th June:—

Decrease interest deposited to cover expenses of issue	10:074\$
Increase repayment in cash by banks	83\$
Increase repayment in bills by banks	516:600\$
Increase interest on bills	3:367\$
Increase expenses of issue	10:074\$

Latest Quotations:—

	1915	1914
4 per cent., 1889	45½	70½
Funding, 1898, 5 per cent.	98	99½
Funding, 1914	71	—
1910 4 per cent.	47	70
S. Paulo, 1888	89½	95
Leopoldina stock	31	56
S. Paulo Railway Ordinary	175	242
Traction Ordinary	50¼	78½
Brazil Railway Ordinary	7	25½
Consols	65	75½
Dumont Coffee Co.	8 5-8	9½
Apolices	805\$ to 808\$	
Gold vales	14d.	
Treasury Bills, 23 to 25 per cent. discount.		

Dividends. Brazilian Traction. Quarterly at rate of 6 per cent. per annum as usual.

City of San Paulo Improvements. We regret that the public-spirited effort of Mr. James Harris did not meet with better success at the debenture holders' meeting on Wednesday. That the company was unable to meet its debenture interest last September is not the fault of the directors, and if there is no money available to meet debenture interest it may be desirable to accept payment in prior lien bonds for five years in preference to appointing a receiver, whose task would be at the best extremely difficult. Why debenture holders should, however, be asked to release the vendor from his undertaking to deposit £600,000, cash or securities, to meet such interest to September, '16, we fail to understand. In the prospectus in which this undertaking was given the vice-chairman estimated that the net proceeds to be derived from land sales and rentals for the next twenty years would average £417,582 per annum. Actually in two years £40,277 has been received, and in that period the directors and trustees have received £19,832. At the meeting this week, no quorum being present, the proceedings were adjourned for a fortnight, and a committee was appointed to confer with the directors meanwhile. Bondholders should not lightly forego their rights. They should certainly insist on trustees

independent of the directors, who primarily represent £2,000,000 of share capital ranking behind the debentures, and on reduction in the most excessive establishment charges in London and Paris. —"Money Market Review," 5th June.

COFFEE

Rio de Janeiro, 3rd July, 1915.

Clearances at the two ports were larger compared with the previous week's; f.o.b. value for the week being £1,978 per bag as against £1,889 for previous week.

The f.o.b. value of clearances for the crop ended 30th June was £25,630,742, as against £40,108,326 last year, a shrinkage of 36 per cent. in value, as against that of 1,230,618 bags or only 8 per cent. in quantity.

Embarques or loadings improved at Santos but declined at Rio and for the two ports show an improvement of 15,572 for the week and an increase compared with last year of 23,191 bags.

Sailed. Of the total of 121,549 bags, 104,103 bags went to Europe, 8,795 coastwise, 8,651 to the Plate, but nothing to the United States. Sailings for the crop were 12,970,407 bags, as against 12,724,412 cleared for foreign ports, the difference being accounted for by coastwise coffees.

Entries at Rio show an increase for the week ended June 30th of 2,283 bags compared with previous week and of 68,843 at Santos, making 71,126 in all at the two ports. Compared with the increase of 36,118 at the two ports compared with last year.

For the crop entries to 30th June were:—

	1914-15	1913-14	
Rio	3,354,584	2,945,132	Inc. 409,452
Santos	9,497,553	10,855,454	Dec. 1,357,901
	12,852,137	13,800,586	Dec. 948,449

So far there is no appreciable increase in arrivals at this port, where new coffee is still believed to represent about 15 per cent. of the total. At Santos, however, entries are now decidedly on the increase, most of them now being new crop.

There are believed to be still some 150,000 bags old crop retained on Minas plantations in expectation of better prices.

Sales to the amount of only 52,535 bags were declared for the two ports as against 60,989 bags for previous week and 52,535 bags last year.

Stocks at Rio and Santos are again on the increase, the difference compared with the previous week being 23,793 bags more at Santos and 7,303 at Rio, in all 31,096 bags. Compared with 30th June last year, stocks at the two ports according to our statistics, which have yet to be verified, show a shrinkage of 174,722 bags.

—Comtelburo Limited send us the following results of the receipt of the Rio stocks, undertaken under their initiative with the full co-operation of the trade as, Mr. Simpson, the manager, states. These results show so wide a difference with our own stocks, which are the same as those of the Serviço de Estatística Commercial; as to make some explanation of the discrepancy necessary. This we trust to supply shortly, but without further details as to how the Rio stock of 242,387 bags was arrived at, some hesitation with regard to the acceptance of the Comtelburo's figures is natural.

Comtelburo's figures for Rio stock on June 30th:—

Stock in Rio	bags	242,387
Nietheroy		21,218
Ilha Vianna		2,205
Afloat		30,383
Total, 30th June		296,193
Our own figures on same date were		170,523
Difference		125,670

Prices. At Rio Nos. 7 and 8 dropped 130 reis during the week but Santos good average and superior were both unaltered at 4\$000 and 5\$000 respectively.

At New York July options improved 16 points, September 9 points and December 10 points. In the Rio market good roasting No. 7 is fetching 6\$800 and colouring coffees 7\$000.

The weather during the past week was favourable for drying, with uninterrupted sunny weather all over S. Paulo.

The World's Visible Supply on 30th June was 7,538,000 bags, as against 8,257,000 on 31st May.

Quotations at Rotterdam:—

	1915	1914
Santos in Holland	36 -38 c.	31½-32¼c.
	Parity	
Guatemala in London	58-60s. 34¼-35¾c.	31½-32¼c.
Haiti in Havre	70-72f. 33 -34 c.	29½-31 c.

Arrivals, in bags:—

	January to end May.		
	1915	1914	1913
East Indies	331,500	155,000	137,200
Venezuela	67,300	17,000	20,800
Central America ...	251,900	65,700	31,700
	650,700	237,700	189,700
Santos	1,470,300	597,900	578,000
	2,121,000	835,600	767,700
Stocks—East Indies	84,600	76,500	81,000
Santos	326,500	615,400	355,300
Venez. and C. Am.	80,400	19,300	6,700
	491,500	711,200	443,000

—Consumption in Holland in 1912 is stated by the to have been 650,000 bags or 39,000,000 kilos, equivalent for a population of 5,859,175 to 6.8k. per head or 8.5lb per capita.

Figures for exports and imports into Holland for five years 1904-1909, in kilos, are as follows:—

Imports	617,376,000
Exports	418,698,000
Domestic consumption	198,678,000

equal to about 6.8 kilos or 8.5 lb. per head.

Imports include arrivals from Dutch colonies as well as from foreign countries.

For the ten months, Aug.-May, imports of coffee into Holland from Brazil alone average for the last 5 years to 94,302,000 kilos or 1,571,700 bags, as against an average consumption of 34,735,600 kilos for the 10 months of the last 5 years or nearly treble the consumption!

—According to reports from America, Brazilians are offering new crop at quotations under the prevailing prices of early May for the old crop, which caused the entire spot market to yield as it will continue to do until the pressure is removed. This, says "The American Grocer," does not show a bold front on the eve of the new crop and will prove as fatal to prices as to exchange unless stopped. This anxiety to sell is, of course, interpreted in consuming markets as an indication of the new crop being much larger than has been announced, whilst in reality it signifies only anxiety as to means of disposing of it should, as seems likely, the consumption of Germany and Austria be greatly curtailed.

Thanks to the benevolent attitude of the British authorities, the enemy seems to have got pretty nearly all this crop's coffee they required and to have laid in a stock sufficient to carry them over for four or five months. That they will continue to receive coffees

on the same scale via Holland and Scandinavia as heretofore seems, to say the least of it, extremely doubtful, in view of the steps now taken for restricting supplies to certain neutral countries.

From now onwards, imports by Holland, exclusive of her colonial supplies, are to be limited to 60,000 bags per month or 720,000 per annum, whereas consumption in that country in 1912 amounted, according to the Syndicat du Defence du Café, to only 650,000, inclusive, of course, of imports from Java and other Dutch colonies not liable to interdiction. No doubt consumption in Holland has been swollen of late by the large number of refugees, whilst something must also still find its way into Switzerland, so that the maximum of 720,000 bags fixed for imports would not perhaps be excessive.

The action of the Netherlands Overseas Trust has proved very effective in checking trading with the enemy and is now to be extended to Switzerland and, apparently, to Sweden, where in all probability similar restrictions will be shortly laid on imports into that country.

Whilst laying stress on the increase of supply, Americans seem to overlook entirely the menace to consumption should Allied action succeed in cutting off German supplies of coffee.

How, in view of such eventualities, papers like the "American Grocer" can maintain that "there is nothing to disturb the coffee grower or shipper, importer or retail trader as to a decline of prices" passes our understanding. Here anyhow the planting interest is on the alert, and seriously alarmed as to the prospect of placing of the current 1915-16 crop and the Brazilian Foreign Office is being urged to take more effective steps against the embargoes on imports of coffee into Holland and Scandinavia.

Rather tardily the authorities are awakening to the dangers that threaten the coffee industry and a well supported movement is afoot for the purchase of surplus supplies up to three or four million bags and with-holding them from the market until the conditions of consumption are once more normalised.

Should it materialise, as there seems every reason to expect, seeing how intimately the course of exchange is wrapped up in that of coffee, and how essential it is that exchange should not fall, there would be an immediate reaction in prices here and in all consuming markets with the result that those who, neglecting the signs of the times, relied too much on financial pressure to oblige Brazilians to sell at any price, or on the failure of the British blockade and increase of European consumption to maintain or even improve prices, may find themselves badly left.

Reliance on the inertia of the Federal Government or on doctrinaire opposition to forced loans, the only ones now practicable, in the shape of further issues of paper money, may be carried too far. Already there are signs of the patience of the country being exhausted and of a movement that before very long may force the hands of the Federal Government in this matter.

—In their circular of 31st May, Duuring and Zoon, of Rotterdam, say:—"Regular transactions with the producing country (Brazil) has practically come to an end and now imports can only be consigned to a limited extent to the Netherlands Overseas Trust (N.O.T.) under restrictions imposed upon direct shipments to this country. From the stock of valorisation coffee stored at Antwerp, about 200,000 bags are being despatched to Germany, whereas about 50,000 bags have been taken over by the Relief Committee, partly for distribution in Antwerp and partly in other parts of Belgium."

Imports of milds into United Kingdom, 1st January-31st May, (casks, barrels, etc., calculated into bags):—

	1915	1914
British East India	25,350	62,640
Mocha	10,390	5,690
Costa Rica	95,870	169,380
Guatemala	61,370	82,240
Colombian	43,670	26,150
Brazil	176,180	165,330
Other kinds	40,700	11,000
	453,530	322,430

The increase of 68,900 is accounted for exclusively by East Indian and Central American arrivals, those from Brazil showing a positive falling off of 10,856 bags.

Deficit in the United States. The "war taxes" having proved insufficient to cover the deficit caused by the falling off of revenue from customs duties, it is now proposed to restore the duties on sugar and create new ones, inclusive of one on coffee.

Of course, it will not be pleasant for the Wilson administration to go back on their policy of "free breakfast table" and restore the duties on sugar, as the "Wall Street Journal" recommends.

Every time there is a deficit or the United States fall foul of Brazil, there is talk of a duty on coffee, without so far having gone any further. Nor does it seem likely that under existing circumstances, when the United States Government is doing its utmost to conciliate South American interests and draw its trade into the Yankee net, that anything hostile to coffee will be lightly undertaken.

A tax on coffee just now with a relatively large crop in sight and consumption daily shrinking in Europe would be the *coup de grace* to production unless some means of buying up the surplus could be found. Under such conditions an import tax on coffee would not fall on consumers but on production and help to beat prices down lower even than the disequilibrium between supply and demand alone otherwise would.

Coffee Market

ENTRIES.

IN BAGS OF 60 KILOS.

RIO	FOR THE WEEK ENDED			FOR THE CROP TO	
	June 30 1915	June 24 1915	June 30 1914	June 30 1915	June 30 1914
Central and Leopoldina	31,769	30,893	28,300	2,843,927	2,546,254
By	913	220	472	88,820	57,033
Inland	2,370	1,516	1,015	80,908	92,475
Coastwise, discharged					
Total	35,052	32,629	29,787	3,013,659	2,695,762
Transferred from Rio to Nitheroy		782	405	46,961	61,939
Net Entries at Rio	35,052	31,847	29,292	2,966,698	2,633,823
Nitheroy from Rio & Leopoldina	2,330	2,985	5,807	387,885	311,309
Total Rio, including Nitheroy & transit	37,382	34,832	35,099	3,354,583	2,945,132
Total Santos	114,596	78,478	45,753	9,497,553	10,855,454
Total Rio & Santos	151,978	113,310	80,852	12,852,137	13,800,586

The coast arrivals for the week ended June 30th, 1915, were from:—

Caravellas	1,661
S. João da Barra	707
Victoria	2
Total	2,370

The total entries by the different S. Paulo Railways for the Crop to June 30th, 1915 were as follows

	Past Fundiary	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remaining at S. Paulo
1914/1915	7,813,700	1,640,401	9,454,200	9,497,553	—
1915/1914	10,103,010	777,069	10,880,079	10,855,454	—

COFFEE SAILED.

During the week ended July 1st, 1915, were consigned to the following destinations:—

IN BAGS OF 60 KILOS.

PORTS	UNITED STATES	EUROPE & MEDITERRANEAN	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio	—	26,900	8,296	3,273	—	—	35,469	3,335,079
Santos	—	77,203	499	5,378	—	—	83,080	9,633,328
1914/1915	—	104,103	8,795	8,651	—	—	121,549	12,970,407
1913/1914	15,729	111,650	5,815	3,721	—	—	226,915	14,261,089

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS.

DURING THE WEEK ENDING JUNE 30th, 1915.

IN BAGS OF 60 KILOS.

	June 30	June 24	June 30	June 24	Crop to June 30	
	Bags	bags	£	£	Bags	£
Rio	30,173	40,343	49,912	67,764	3,091,186	5,287,007
Santos	82,581	41,488	173,153	86,975	9,633,226	20,343,735
Total 1914/1915	112,754	81,831	223,065	154,739	12,724,412	25,630,742
do 1913/1914	221,103	135,510	611,770	389,557	13,955,031	40,108,326

COFFEE LOADED (EMBARQUES).

IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP TO	
	1915 June 30	1915 June 24	1914 June 30	1915 June 30	1914 June 30
Rio	36,121	46,279	32,040	3,033,909	2,657,545
Nitheroy	2,400	6,997	2,625	390,683	296,743
In transit					
Total Rio including Nitheroy & transit	38,521	53,276	34,665	3,424,592	2,954,288
Santos	84,757	54,430	65,422	9,653,350	11,271,306
Rio & Santos	123,278	107,706	100,087	13,077,942	14,225,594

FOREIGN STOCKS.

IN BAGS OF 60 KILOS.

	June 30/1915	June 24/1915	June 30/1914
United States Ports	1,313,000	1,246,000	1,350,000
Havre	1,940,000	1,945,000	2,920,000
Both	3,253,000	3,191,000	4,270,000
Deliveries United States Visible Supply at United States ports	68,000	201,000	104,000
	1,487,000	1,556,000	1,646,000

SALES OF COFFEE.

DURING THE WEEK ENDING JUNE 30th, 1915.

	June 30/1915	June 24/1915	June 30/1914
Rio	23,252	20,856	23,252
Santos	29,283	40,138	29,283
Total	52,535	60,994	52,535

OUR OWN STOCK.

IN BAGS OF 60 KILOS.

RIO Stock on June 24th, 1915.....	62 152
Entries during week ended June 30th, 1915.....	35 052
Loaded «Embarques», for the week June 30th, 1915...	97 204
	36 121
STOCK IN RIO ON June 30th, 1915.....	61 083
Stock at Nictheroy and Porto da Madama on	
• June 24th 1915.....	17 265
• Afloat on June 24th, 1915.....	93 093
Entries at Nictheroy plus total embarques including transit.....	40.851
	151.209
Deduct : embarques at Nictheroy, Porto da Madama and Vianna and sailings during the week June 30th, 1915.....	41.769
STOCK IN NICTHEROY AND A FLOAT ON June 30th, 1915.....	109.440
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and A FLOAT ON June 30th, 1915.....	170 523
SANTOS Stock on June 24th, 1915.....	404.171
Entries for week ended June 30th, 1915.....	114.586
Loaded (embarques) during same week.....	518.767
	84.757
STOCK IN SANTOS ON June 30th, 1915.....	434.010
Stock in Rio and Santos on June 30th, 1915.....	604.533
do do on June 24th, 1915.....	578.437
do do on June 30th, 1914.....	779.255

COFFEE PRICE CURRENT.

DURING THE WEEK ENDING JUNE 30th. 1915.

	June 25	June 26	June 28	June 29	June 30	July 1	Average.
RIO—							
Market N. 6 10 kilos	—	4.971	—	—	4 902	—	—
• N. 7	5.039	5.039	4.971	—	4.971	4.902	4.970
• N. 8	4.834	4.834	4.766	—	4.766	4.698	4.766
• N. 9	4.562	4.562	4.494	—	4.494	4.426	4.494
SANTOS—							
Superior per 10 kilos...	5.400	5.400	5.400	—	5.400	5.400	5.400
Good Average.....	4.000	4.000	4.000	—	4.000	4.000	4.000
N. YORK, per lb.							
Spot N. 7..... cent.	—	—	—	—	—	—	—
• 8.....	—	—	—	—	—	—	—
Options—							
• July.....	6.90	6.97	7.09	6.98	6.98	—	6.96
• Sept.....	6.73	6.76	6.78	6.76	6.77	—	6.76
• Dec.....	6.78	6.81	6.85	6.83	6.83	—	6.82

MANIFESTS OF COFFEE.

RIO DE JANEIRO.

During the week ended 1st July, 1915.

25-DIVONA—B. Aires.....	Hard, Rand & Co.....	2,400
Ditto—	Castro Silva & Co.....	475
Ditto—	McKinley & Co.....	150
Ditto—Montevideo.....	Sequeira & Co.....	250
		3,275
25-A. JOHNSON—Stockholm.....	Ag.Coop. Minas Geraes.....	2,000
Ditto—	Pinto & Co.....	2,000
Ditto—	McKinley & Co.....	1,750
Ditto—	Castro Silva & Co.....	1,250
Ditto—	Holmberg Bach & Co.....	1,250
Ditto—	Dias Garcia & Co.....	1,125
Ditto—	Hard, Rand & Co.....	1,000
Ditto—	Galeno Gomes & Co.....	100
Ditto—Gefle.....	Dias Garcia & Co.....	4,375
Ditto—	Holmberg Bech & Co.....	1,500
Ditto—Copenhagen.....	Ag.Coop. Minas Geraes.....	2,000
Ditto—Christiania.....	Dias Garcia & Co.....	1,000
Ditto—	Holmberg Bech & Co.....	500
Ditto—	Pinto & Co.....	375
Ditto—	Norton Megaw & Co.....	50
Ditto—Bergen.....	Hard, Rand & Co.....	875
Ditto—	Castro Silva & Co.....	250
Ditto—Sundswall.....	Dias Garcia & Co.....	1,000
Ditto—Alesund.....	Hard, Rand & Co.....	500
Ditto—Ornskoldsvick.....	Holmberg, Bech & Co.....	500
Ditto—Hudicksvall.....	Holmberg, Bech & Co.....	500
Ditto—Farnosand.....	Holmberg, Bech & Co.....	500
Ditto—Halmstad.....	Holmberg, Bech & Co.....	500
Ditto—Gothemburg.....	Dias Garcia & Co.....	250
Ditto—	Holmberg, Bech & Co.....	250

Ditto—Trondjein.....	McKinley & Co.....	250
Ditto—	Pinto & Co.....	125
Ditto—Norkoping.....	Dias Garcia & Co.....	250
Ditto—Storanger.....	Pinto & Co.....	250
Ditto—Dramen.....	Pinto & Co.....	250
Ditto—Christiansund.....	Louis Boher & Co.....	125
Ditto—Arendal.....	Eugen Urban & Co.....	125
Ditto—Soderhawn.....	Dias Garcia & Co.....	125
		26,900
Total overseas.....		30,173

COASTWISE.

26-JAGUARIBE—Pará.....	Ornstein & Co.....	1,090
Ditto—Ceará.....	Ornstein & Co.....	140
Ditto—Maranhão.....	Ornstein & Co.....	45
Ditto—	Zenha Ramos & Co.....	20
Ditto—Itiacoatara.....	Eugen Urban & Co.....	50
Ditto—	Roberto Schoenn & C.....	10
Ditto—Manãos.....	Ornstein & Co.....	350
Ditto—Santarem.....	Zenha Ramos & Co.....	25
Ditto—Partinius.....	Eugen Urban & Co.....	20
		1,751
27-ITASSUCE—Porto Alegre.....	McKinley & Co.....	600
Ditto—	Castro Silva & Co.....	125
Ditto—Rio Grande.....	Sequeira & Co.....	254
Ditto—	Theodor Wille & Co.....	50
Ditto—Pelotas.....	McKinley & Co.....	75
Ditto—	Sequeira & Co.....	50
		1,154
28-ITAJUBA—Rio Grande.....	Eugen Urban & Co.....	375
Ditto—	Theodor Wille & Co.....	50
Ditto—Pelotas.....	Castro Silva & Co.....	175
Ditto—	McKinley & Co.....	125
Ditto—	Eugen Urban & Co.....	75
Ditto—Porto Alegre.....	McKinley & Co.....	250
Ditto—	Miranda Gordo.....	120
		1,150
29-ITAPAQR—Pelotas.....	Ornstein & Co.....	—
		260
CUBATAO—Maceio.....	Eugen Urban & Co.....	—
		100
29-CORCOVADO—Camocim.....	Sequeira & Co.....	250
Ditto—Pernambuco.....	McKinley & Co.....	30
		280
30-PARA—Pará.....	Eugen Urban & Co.....	590
Ditto—	Roberto Schoenn & C.....	410
Ditto—	Theodor Wille & Co.....	320
Ditto—	Ornstein & Co.....	150
Ditto—Manãos.....	Theodor Wille & Co.....	850
Ditto—	Eugen Urban & Co.....	290
Ditto—	Roberto Schoenn & C.....	75
Ditto—Maranhão.....	Theodor Wille & Co.....	285
Ditto—	Eugen Urban & Co.....	130
Ditto—	Roberto Schoenn & C.....	65
Ditto—Ceará.....	Theodor Wille & Co.....	50
Ditto—	Sequeira & Co.....	310
Ditto—	Eugen Urban & Co.....	1
		5,601
Total coastwise.....		8,296

SANTOS.

During the week ended 1st July, 1915.

—CORDOVA—Genoa.....	S. A. Martinelli.....	532
Ditto—	Nino Paganetta.....	4
		336
25-LEAO XIII—Santander.....	Naumann Gepp & Co.....	250
Ditto—Gijon.....	Hard Rand & Co.....	125
Ditto—Vigo.....	Cesar Cadovid.....	1
Ditto—Consumption.....	Cesar Cadovid.....	18
		394
29-FRISIA—Amsterdam.....	Naumann Gepp & Co.....	5,000
Ditto—	Levy & Co.....	4,500
Ditto—	M. Wright & Co.....	2,500
Ditto—	Eugen Urban & Co.....	2,500
Ditto—	Whitaker Brotero & C.....	2,000
Ditto—	Raphael Brotero & C.....	2,000
Ditto—	Ed. Johnston & Co.....	500
Ditto—	Leme Ferreira & C.....	500
Ditto—	R. Alves Toledo & Co.....	150
Ditto—	Sundry.....	2
		18,657
—R. UMBERTO—Genoa.....	Nino Paganetti.....	—
		1
TURANTIA—B. Aires.....	Société F. Bresilienne.....	1,698
Ditto—	Whitaker Brotero & C.....	300
Ditto—	G. Trinks.....	179
Ditto—Montevideo.....	Société F. Bresilienne.....	345
		2,522
—PEMBROKESHIRE—London.....	Ed. Johnston & Co.....	22,776
Ditto—	Naumann Gepp & Co.....	9,000
Ditto—	M. Wright & Co.....	7,119
Ditto—	Malta & Co.....	7,041
Ditto—	Geo. W. Ennor.....	4,760
Ditto—	Cia. Prado Chaves.....	2,500
Ditto—	Hard, Rand & Co.....	2,00
Ditto—	S. Paulo Coffee Estates.....	1,119
Ditto—	Stolle Emerson & Co.....	500
Ditto—Havre.....	Leite & Santos.....	1,000
		57,815

30-BARCELONA-R. Aires	Freitas Lima Nogueira	1,100	
Ditto ..	R. Alves Toledo & Co.	704	
Ditto ..	Ed. Johnston & Co.	497	
Ditto ..	Eugen Urban & Co.	355	
Ditto ..	Stolle Emerson & Co.	200	2,856
Total overseas			82,581

SANTOS—COASTWISE

ORION—Rio de Janeiro	Eugen Urban & Co	—	350
28-ITAQUERA—Pernambuco	Nicolau Picone	—	291
28-ITAPUIHY—Porto Alegre	Pedro Bidondo	178	
Ditto ..	Nicolau Picone	30	208
30-PYRINEUS—Rio de Janeiro ..	Nioac & Co	—	600
Total coastwise			1,529

PER DESTINATIONS.

Great Britain	56,815
Sweden	20,225
Holland	18,657
South America	8,651
Norway	4,675
Denmark	2,000
France	1,000
Spain	394
Italy	337
Overseas	112,754
Coastwise	9,725
Total	122,479

PER SHIPPERS.

British	55,721
Brazilian	38,269
American	7,500
Swedish	5,500
German and Austrian ..	3,159
French	2,163
Italian	337
Overseas	112,754
Coastwise	9,725
Total	122,479

PER SHIPPING COMPANIES.

British	57,815
Swedish	26,930
Dutch	21,179
French	3,273
Spanish	3,250
Italian	337
Overseas	112,754
Coastwise	9,725
Total	122,479

RUBBER

Weekly Cable. Quotations for Hard Fine in London on June 2nd was 2s. 7d., an improvement of ½d. compared with previous Friday and at Para 4\$000 per kilo, the same as previous Saturday.

Railway News

THE LEOPOLDINA RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended.	Receipts for Week			Total from 1st. Jan.
		Currency.	Ex 20.	Sterling.	
1915	20th June	423:000\$	12 7/16	£ 21,800	£ 72,364
1914	27th "	505:000\$	16d	£ 37,807	£ 790,409
Increase..					
Decrease..		146:000\$	3 9/16	£ 15,998	£ 72,047

A cable from the general manager of the Gt. Western Railway to the directors states that beneficial rains continue, but sugar prospects still 30 per cent. below average. Cotton, 40,000 bales still up country; prospects point to full new crop.

SHIPPING

—Mr. Luiz Campos reports total engagements for Swedish s.s. Kronprinsessan Victoria, sailing about 17th July, to be 35,000 bags between Rio and Santos to date; for the s.s. Pacific, of the same line, 20,000 bags have been so far engaged for Christiania and 18,000 per Spanish s.s. Pedro Satriustegui, for the Plate. No engagements are reported for Italy, as the Italian Minister now insists on verifying the contents of each bag, whether it be coffee or no, as a precaution against explosives.

—The Royal Mail reports engagements for 1,000 bags for the Plate by s.s. Avon and 1,270 bags by s.s. Ortega for Bristol and 20 tons of old metal for London.

—Shipment of coffee to the Cape by Germans in English bottoms has at last been officially prohibited. The reason why no shipments were made by Germans by the last steamer to the Cape was that no bank could be found to finance shipments! Ca ira! and we don't despair yet of seeing trading of any kind between Britishers and Germans declared illegal, as has been done in China and many other neutral countries.

Consignments to Holland per Netherlands Overseas Trust are to be limited for the future to 60,000 bags per month.

Freight Markets. "Fairplay" of 10th June, reports easier tendency, especially in coal freights from U.K.; homeward rates are also lower in some directions. Future prospects are decidedly good and may result in record homeward rates in the autumn when the harvests are moved.

The Dardanelles, Mr. Churchill promises, will be open by the autumn and there will be a big movement from that direction. What the relations of the U.S. may be to the enemy by then is impossible to forecast, but if all the German tonnage in U.S. harbours were seized and requisitioned for Atlantic trading it would necessarily affect freights. Ship building has practically stopped and the price of boats is going up enormously.

Coal rates from Wales are quoted at 26s. for Rio de Janeiro.

—"Fairplay" of 3rd June reports chartering to be active, but rates in some directions lower. The reaction, however, may be temporary. To South America coal rates are weaker, 36s. to 36s. 6d. being quoted for Rio de Janeiro and for Santos tonnage is asked to offer for voyage for rest of the year. The s.s. Eirine was engaged for coal to Rio Grande do Sul at 35s. for load and discharge, and from Baltimore to Rio de Janeiro the s.s. Verdun 7,500 tons, Norfolk to Rio de Janeiro 36s. 6d., June; another s.s., 5,000 tons, Virginia to Rio and a third of 7,500 tons, Norfolk to Rio, all for June, at same rate.

—"The Times of Argentina" of 28th June reports the River Plate freight market to be gradually absorbing the large amount of available tonnage that had congested the market and depressed rates.

The Brazilian market continues very weak with a restricted demand. Many of the coasters leave more than half empty, although their number has been considerably reduced lately. We quote as follows:—R. A. to Antonina Paranagua and San Francisco, \$4 to \$4.50; to Rio de Janeiro, Rio Grande and Santos, \$4.50 to \$5; to Pelotas and Porto Alegre, \$7.50 to \$8; with 50 cents extra for up-river loading.

—One of the two floating docks at Valparaiso has been destroyed by a gale and is a total loss. It was insured for £10,000.

—Mercantile shipbuilding in England has come almost to a stop, whereas on the Clyde alone 40-50,000 tons of merchant shipping used to be turned out per month. All the energies of builders are now turned to the construction of warships. As the Armaments Committee develop their programme, the discrepancy between this year's and last year's output of mercantile shipping is, therefore, likely to increase. Fortunately there are still quite a lot of German ships interned in belligerent countries available at a pinch.

Coal. Values on 3rd June were quoted in "Fairplay" as follows:—Best Cardiff coals nominal, second Cardiff coals nominal, ordinaries 34s. to 36s.; best dry coals 34s. to 36s., second dry coals 29s. to 30s., Black Veins (Cardiff shipment) 33s. to 34s., Western Valleys (Cardiff shipment) 32s. to 33., Eastern Valleys (Cardiff shipment) 30s. to 31s., No. 2 Rhondas 26s. to 27s., best steam smalls 21s. 6d. to 22s. 6d., second steam smalls 20s. 6d. to 21s., cargo small 19s. to 20s. All the above prices are f.o.b. Cardiff, Penarth or Barry, payment by net cash in 30 days.

Coal. Quotations, "Fairplay," 10th June:—Current values are approximately as follows:—Best Cardiff coals nominal, second Cardiff coals nominal, ordinaries 32s. 6d. to 35s., best dry coals 34s. to 35s., second dry coals 32s. to 33s., Black Veins (Cardiff shipment) 33s. to 34s., Western Valleys (Cardiff shipment) 32s. to 33s., Eastern Valleys (Cardiff shipment) 30s. to 31s., No. 2 Rhondas 27s. to 28s., best steam smalls 22s. to 22s. 6d., second steam smalls 20s. to 21s., cargo smalls 19s. to 20s. All the above prices are f.o.b. Cardiff, Penarth or Barry, payment by net cash in thirty days.

—New York reports the steamer market exceedingly quiet, with chartering light in all trades except coal, 34s. to 37s. being quoted for coal from Baltimore to Rio de Janeiro.

—"Shipping Illustrated," of June 8th, says that in New York Harbour coal was plentiful at from \$2.30 for inferior grades to \$2.80 for choice Pennsylvania.

The Working of the Netherlands Overseas Trust

The correspondent of "Fairplay" reports, with date of 3rd June that forwarding of cotton has ceased, 400,000 bales in all have been sent to Germany. Various other steamers have been taken into English ports carrying another 80,000 bales, which, it seems very improbable, will be allowed to reach Germany. The place of cotton is taken by American lard, oil, etc., consigned to the Overseas Trust, which, however, cannot be re-exported as the company gives a guarantee that they shall be used solely for home consumption. It is difficult to see how Americans can make money out of this kind of business, seeing how liable some of the goods are to deterioration, unless, indeed, they count on the prohibition being withdrawn. Meanwhile warehouse charges are mounting up. The sudden refusal of the Overseas Trust to allow further lots of lard and oil to be consigned to them is, says "Fairplay," at the bottom of the British Government's action to carefully check all such cargoes not covered by the Trust Company's documents, seeing that the stocks already in warehouses are ample for home consumption.

Amsterdam. For the five months ending 31st May, 715 vessels, of 1,273,143 tons gross, arrived at Amsterdam and 767 vessels, of 1,306,781 tons, cleared from that port, showing a decrease of 358 vessels, of 715,355 tons, in the arrivals, and 340 vessels, of 711,896 tons, in the departures, as compared with the corresponding period of last year.

ARRIVALS AT THE PORT OF RIO DE JANEIRO.

DURING THE WEEK ENDING JULY 1st, 1915.

June 25.—BRASIL, Brazilian s.s. 1999 tons, from Manaus
25.—S. J. DA BARRA, Brazilian s.s. 230 tons, from Laguna
25.—ITAPERUNA, Brazilian s.s. 713 tons, from Aracaju
25.—PHILADELPHIA, Brazilian s.s. 359 tons, from Ponta Areia
26.—M. F. BARRET, American barque, 1564 tons, from Norfolk
26.—KENWOOD, American barque, 797 tons, from Newport
26.—LEAO XIII, Spanish s.s. 2721 tons, from Buenos Aires
26.—ITAPURA, Brazilian s.s. 1179 tons, from Porto Alegre
26.—ARACATY, Brazilian s.s. 531 tons, from Para
26.—SAN FRATERNO, British s.s. 6053 tons, from Tampico
26.—PLANETA, Brazilian s.s. 253 tons, from Cabo Frio
26.—BRA-KAR, Norwegian s.s. 2791 tons, from Christiania
26.—MINAS GERAES, Brazilian s.s. 2179 tons, from New York
27.—OSTDIJK, Dutch s.s. 1871 tons, from Cardiff
27.—LLANBERIS, British s.s. 2625 tons, from San Nicolas
27.—TIJUCA, Brazilian s.s. 1108 tons, from Santos
27.—ITAUNA, Brazilian s.s. 401 tons, from Antonina
28.—TUBANTIA, Dutch s.s. 8561 tons, from Amsterdam
28.—VENUS, Brazilian s.s. 439 tons, from Penedo
28.—CORCOVADO, Brazilian s.s. 1916 tons, from Rio Grande
28.—ASIATIC PRINCE, British s.s. 1792 tons, from New York
28.—MURPINHO, Brazilian s.s. 511 tons, from Florianopolis

28.—ITATINGA, Brazilian s.s. 1181 tons, from Cabedello
29.—HELMSDALE, British s.s. 1998 tons, from Cardiff
29.—PROVENCE, French s.s. 2480 tons, from Marseilles
29.—ITAPEMA, Brazilian s.s. 825 tons, from Porto Alegre
30.—PEMBROKESHIRE, British s.s. 4958 tons, from Santos
30.—EMILIA, Portuguese barque, 937 tons, from Oporto
30.—FRISIA, Dutch s.s. 4608 tons, from Buenos Aires
30.—FAIRMOUNT, British s.s. 1184 tons, from Norfolk
30.—BORBOREMA, Brazilian s.s. 1082 tons, from Amaraçao
30.—PACIFIC, Swedish s.s. 2232 tons, from Gothenburg
30.—P. UMBERTO, Italian s.s. 4202 tons, from Buenos Aires
30.—URANO, Brazilian s.s. 141 tons, from Santos
30.—VASARI, British s.s. 6352 tons, from New York
July 1.—ORITA, British s.s. 5818 tons, from Liverpool
1.—ITATIBA, Brazilian s.s. 514 tons, from Rio Grande
1.—RIO BLANCO, British s.s. 2580 tons, from New York
1.—PYRINEUS, Brazilian s.s. 1044 tons, from Cabedello
1.—ARAQUARY, Brazilian s.s. 1466 tons, from Florianopolis
1.—SPICA, Italian barque, 869 tons, from Ancona
1.—ITAIPIVA, Brazilian s.s. 707 tons, from Aracaju
1.—ITATUBA, Brazilian s.s. 717 tons, from Porto Alegre

VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO

DURING THE WEEK ENDING JULY 1st, 1915.

June 25.—DIVONA, French s.s. 3096 tons, for Montevideo
25.—FREJI, Danish s.s. 1157 tons, for Montevideo
25.—AGEE JOHNSON, Swedish s.s. 2359 tons, for Stockholm
26.—ITAPUCA, Brazilian s.s. 789 tons, for Porto Alegre
26.—LEAO XIII, Spanish s.s. 2721 tons, for Bilbao
26.—PURUS, Brazilian s.s. 2495 tons, for Santos
26.—ITAPOAN, Brazilian s.s. 512 tons, for Porto Alegre
26.—URANO, Brazilian s.s. 141 tons, for Santos
27.—SAN FRATERNO, British s.s. 6053 tons, for Buenos Aires
28.—JABUARIBE, Brazilian s.s. 1003 tons, for Manaoas
28.—ARACATY, Brazilian s.s. 531 tons, for Santos
28.—PLANETA, Brazilian s.s. 253 tons, for Cabo Frio
28.—TUBANTIA, Dutch s.s. 8561 tons, for Amsterdam
28.—AMAZONAS, Brazilian s.s. 1220 tons, for Paysandu
28.—LLANBERIS, British s.s. 2625 tons, for S. Vicente
28.—RIO PARDO, Brazilian s.s. 597 tons, for Penedo
28.—RAVENSTONE, British s.s. 1945 tons, for Manchester
29.—FIDELENSE, Brazilian s.s. 259 tons, for S. J. da Barra
29.—M. S. SMITH, American lugger, 529 tons, for Saint Marc
29.—RIO COLORADO, British s.s. 2237 tons, for Philadelphia
29.—CUBATAO, Brazilian s.s. 1080 tons, for Mossoro
29.—CORCOVADO, Brazilian s.s. 1916 tons, for Para
29.—ASIATIC PRINCE, British s.s. 1792 tons, for Buenos Aires
29.—WAGAMA, Norwegian lugger, 476 tons, for New York
29.—KANAWHA, American s.s. 1996 tons, for Baltimore
29.—ITAQUERA, Brazilian s.s. 1254 tons, for Cabedello
30.—PARA, Brazilian s.s. 2097 tons, for Manaoas
30.—ITATINGA, Brazilian s.s. 717 tons, for Porto Alegre
30.—P. UMBERTO, Italian s.s. 4202 tons, for Genoa
30.—FRISIA, Dutch s.s. 4608 tons, for Amsterdam
30.—ITAUNA, Brazilian s.s. 401 tons, for Antonina
30.—PROVENCE, French s.s. 2480 tons, for Buenos Aires
30.—RIO PRETO, British s.s. 2513 tons, for Santos
July 1.—A. TROUDI, French s.s. 3573 tons, for Havre
1.—PLANETA, Brazilian s.s. 253 tons, for Cabo Frio
1.—PARAHYBA, Oriental s.s. 1940 tons, for Bahia Blanca
1.—ORITA, British s.s. 5218 tons, for Callao
1.—VASARI, British s.s. 6352 tons, for Buenos Aires
1.—PEMBROKESHIRE, British s.s. 4958 tons, for Havre
1.—DARTMOUTH, British s.s. 2125 tons, for Buenos Aires
1.—BRA-KAR, Norwegian s.s. 2973 tons, for Santos

VESSELS ARRIVING AT THE PORT OF SANTOS.

DURING THE WEEK ENDING JULY 1st, 1915.

June 24.—ITAPUHY, Brazilian s.s. 926 tons, from Rio de Janeiro
24.—RIO DE JANEIRO, Brazilian s.s. 1487 tons, from New York
24.—KRONBERG, Danish s.s. 2211 tons, from New York
25.—ITAQUERA, Brazilian s.s. 926 tons, from Porto Alegre
25.—LEAO XIII, Spanish s.s. 2720 tons, from Buenos Aires
25.—M. ONTCKONOFF, Danish s.s. 1353 tons, from Alborg
26.—COMETA, Brazilian s.s. 371 tons, from Rio
26.—ITAUNA, Brazilian s.s. 463 tons, from Antonina
26.—INDEPENDENCIA, Argentine s.s. 618 tons, from B Aires
27.—PYRINEOS, Brazilian s.s. 885 tons, for Parahyba
27.—FERNETROS, Argentine s.s. 803 tons, from Buenos Aires
27.—PURUS, Brazilian s.s. 2495 tons, from New York
28.—URANO, Brazilian s.s. 247 tons, from Rio de Janeiro
28.—FREDA, Norwegian s.s. 1078 tons, from Bahia Blanca
28.—ARACATY, Brazilian s.s. 531 tons, from Para
29.—ITATUBA, Brazilian s.s. 673 tons, from Porto Alegre
29.—SANTOS, Oriental s.s. 1610 tons, from Rosario
29.—FRISIA, Dutch s.s. 4608 tons, from Buenos Aires
29.—P. MATARAZZO, British s.s. 1779 tons, from Rosario
29.—P. UMBERTO, Italian s.s. 4502 tons, from Buenos Aires
29.—TUBANTIA, Dutch s.s. 8561 tons, from Amsterdam

VESSELS SAILING FROM THE PORT OF SANTOS

DURING THE WEEK ENDING JULY 1st, 1915.

June 24.—ITAPUHY, Brazilian s.s. 926 tons, for Porto Alegre
25.—ITAQUERA, Brazilian s.s. 926 tons, for Cabedello
25.—TIJUCA, Brazilian s.s. 1108 tons, for Para
25.—LEAO XIII, Spanish s.s. 2720 tons, for Bilbao
25.—ITAUNA, Brazilian s.s. 403 tons, for Rio de Janeiro
28.—DART, British s.s. 2056 tons, for Buenos Aires
28.—PEMBROKESHIRE, British s.s. 4968 tons, for Liverpool

28.—URANO, Brazilian s.s. 192 tons, for Rio de Janeiro
 29.—TUBANTIA, Dutch s.s. 8561 tons, for Buenos Aires
 29.—FRISIA, Dutch s.s. 4608 tons, for Amsterdam
 29.—P. UMBERTO, Italian s.s. 4202 tons, for Genoa
 29.—KRONBERG, Danish s.s. 2211 tons, for Rio Grande
 29.—TTATTUBA, Brazilian s.s. 613 tons, for Aracaju

The Week's Official War News

London, June 30th, 1915.

On June 29th, the Prime Minister, together with Mr. Bonar Law and the Bishop of London, addressed a large meeting of business men in the Guildhall. The Prime Minister said that during the Napoleonic wars, England had spent 800 million pounds, or just under one million pounds a week in a war lasting twenty years. We were now spending three million pounds a day. After discussing alternative methods of procuring money, he said a great war loan was necessary, to which there should be no limit of amount—the first great democratic loan in English history. The serious decrease in exports made it vital that there should be wide national exercise of economy by all classes of the community as well as a general policy of lending all savings to the Government.

Mr. Bonar Law explained the nature of the proposed loan. He said the resources of the enemy were immense, but ours were greater and it was vital to employ them to the full. As there had been a tendency to unjustifiable optimism a few weeks ago, we were perhaps now passing through a stage of unjustifiable pessimism. Our staying power would not fail us now, as it had not failed us in the past.

London, June 30th, 1915.

Following is a summary of Russian official communiqués of June 26-29:—There has been heavy fighting in North Poland, but enemy was repulsed with heavy loss. Heaps of dead were left before our trenches and we took some prisoners. The offensive of the enemy in South Poland was not pressed home and met with no success. In Galicia during our counter-attacks near Zolkiew and Lemberg, we took about 2,000 prisoners. Fierce fighting took place on the Dniester. On the evening of June 26 our troops began a retreat on the Gnila-Lipa. The enemy having attempted by desperate counter-attacks to throw our retirement into confusion, but have failed after suffering enormous losses.

London, June 30th, 1915.

Following official communication was issued on June 30th concerning operations in Dardanelles by General Sir Ian Hamilton:—

The plan for the day involved the throwing forward left of line south-east of Krithia, pivoting on a point about one mile from the sea and advancing half a mile on the left so as to establish a new line facing east on the ground gained.

The action opened at 9 a.m. with a heavy French and English bombardment, followed by fire from field artillery, which destroyed much enemy barbed wire. By 10-45 a small Turkish advanced redoubt in higher Dere, a long source of trouble, fell before a dashing attack. After further artillery fire, infantry advanced and captured three lines of trenches west of Saghir Dere. East of the ravine two lines of trenches were captured, but our troops were unable to make headway on the right owing to vigorous opposition. By 11-30 the desired move forward on the left was completely carried out and fresh line formed. In addition the Gurkahs pressed forward and took an important knoll due west of Krithia, making a total advance on the left of 1,000 yards. During the afternoon attacks were made on trenches at right, but did not succeed in dislodging enemy, who were strongly supported by

machine guns and artillery fire. During the night the enemy made counter attacks but was repulsed. More than was hoped from operations has been gained. On extreme left line has been pushed to a strong point well beyond the limit of advance already contemplated.

London, July 1st, 1915.

Following official communication was issued on July 1st:—Further details are to hand concerning operations west of Lake Victoria Nyanza. General scheme had involved simultaneous attacks on Bukoba by two forces. First started from Kagera River, separated from Bukoba by 30 miles of swampy country. Second started on steamers from Kisumu, separated from Bukoba by whole breadth of lake, 240 miles. This combined operation required skilful management, but it took place successfully on 22nd June. During action, enemy having received reinforcements, made a determined resistance, the Arabs' fighting being exceptionally brave. Eventually enemy broke and fled utterly demoralised. A Mohammedan standard of European manufacture was found in the German commandant's house. No damage was done to the place except the destruction of fortified houses and other defences. Lord Kitchener has telegraphed to General Tighe commanding troops in British East Africa, congratulating him on the success of the operations and requesting him to congratulate Brigadier-General Stewart and troops who took part in the expedition.

London, July 2nd, 1915.

Following details are issued by General Sir Ian Hamilton in reference to recent activity in Gallipoli:—While main operations were progressing, the general officer commanding Australian and New Zealand Army Corps was instructed to undertake movements in the north with a view to preventing the enemy from detaching troops to southern area. A little before noon after a bombardment from naval guns, the 2nd Light Horse and 3rd Infantry Brigades moved out on right of position, advancing 700 yards, when enemy was encountered in force. Meanwhile artillery effectively shelled enemy reserves. About 2-30 the enemy seemed preparing counter-attacks, but was repulsed by howitzer and machine guns. The retirement of our troops was well covered by rifle, machine gun and artillery fire, which did considerable execution now, as throughout the whole day. Our troops were back in their trenches between 4-30 and 5.0. Demonstrations after dark were successfully carried out. The Eighth Corps reports 180 prisoners taken since June 28th. A Circassian prisoner carried a wounded Royal Scots private into our lines under rifle fire.

London, July 3rd, 1915.

Following is a summary of official Russian communiqués June 30th to July 2nd:—To north of Przasnysl and in Shavli and Racziony regions we repulsed local German attacks. On the left bank of the Vistula the enemy delivered barren attacks on the front Siemno-Josefow. In the direction of Lublin, enemy is in contact with us along rivers Wyznica and Por. Between rivers Wieprz and Bug enemy continues progress towards north and north-east. In region north of Zamoso rearguard actions took place of a most stubborn nature. A regiment of the Prussian Guard having captured the village of Jukow, was dislodged by a counter-attack. In Galicia, enemy delivered persistent attacks in various sections of his front from Kaminoka to Halicz. All were repulsed. During counter-attacks on the Sokai-Halicz front (line of Bug and Gnila Lipa) we took 2,000 prisoners and several machine guns. Nevertheless, south of Rohatyn important enemy forces established themselves on the left bank of the Gnila Lipa.