Wileman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

• PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 1	RIO DE JANEIRO, TUESDAY, December 14th, 1915	N. 50

Wileman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 1 | RIO DE JANEIRO, TUESDAY, December 14th, 1915 | No. 50

OFFICES: 61 RUA CAMERINO.

P. O. BOX—1521 **Tel. Address—"REVIEW."**

Subscription £5 per annum.

Single copies supplied to subscribers only.

AGENTS:—

Rio de Janeiro—

Crashley & C., Rua do Ouvidor, No. 38.

São Paulo—

Hildebrand & Co., Rua 15 de Novembro.

London—

C. Street & Co., Ltd., 30 Cornhill, London, E.C.

MAIL FIXTURES

FOR EUROPE.

Dec. 17.—ORITA, P.S.N.C., for Liverpool.
.. 19.—DESEADO, Royal Mail, for Liverpool.
.. 22.—AMAZON, Royal Mail, for Liverpool.
.. 29.—GELRIA, Holland Lloyd, for Amsterdam

FOR RIVER PLATE AND PACIFIC

Dec. 17.—DARRO, Royal Mail, for River Plate.
.. 17.—ORONSA, P.S.N.C., for River Plate and Pacific
.. 24.—DESNA, Royal Mail, for River Plate.
.. 28.—HOLLANDIA, Holland Lloyd, for River Plate.

FOR THE UNITED STATES.

Dec. 28.—VAUBAN, Lamport and Holt, for New York.

NOTICE TO BRITISH SUBJECTS.

NEW PASSPORT REGULATIONS.

All British passports issued prior to the 5th of August, 1914, ports should apply at their convenience for fresh passports from became invalid on the 1st of August, 1915. Holders of such pass- this office.

With regard to passports issued between the 5th of August, may be regarded as valid for 2 years from the date of issue and 1914, and 28th of February, 1915, it has been decided that they holders of any such passports should present them to this office for endorsement to that effect.

Wife and children under 16 years of age may be included on the holder's passport.

Under the new regulations, passports must bear the photograph of the holder, and of the wife, if included in the passport.

Photographs must be supplied in duplicate to this office by applicants for passports.

British Consulate General, 30th August, 1915.

REGISTRATION OF BRITISH PROPERTY IN ENEMY COUNTRIES.

While returns of enemy property held in Britain are compulsory under the provisions of the Trading Amendment Act, of 1914, returns of British property in enemy countries and territories in enemy occupation are voluntary.

The facilities offered by the Foreign Claims Office to British subjects resident within the United Kingdom are now extended to British claimants residing in neutral and Allied countries, who can now take advantage of the Public Trustee Office to record their claims against enemy subjects and firms in respect of property, debts or bank balances held by the latter.

The object of the Public Trustee in asking creditors of enemy firms or persons to make these returns is merely to make a record which, if comprehensively completed, will be of great assistance to the Government in estimating the relative positions of this country and its enemies with regard to indebtedness of all kinds.

It is well to observe the exact meaning of "enemy" in this connection: An enemy is a person of whatever nationality residing or carrying on business in enemy territory. A British subject, therefore, who resides or carries on business in enemy territory is for the present purposes to be considered an enemy, while a person of German, Austrian, Turkish or Bulgarian nationality residing in British territory is not an enemy from this point of view.

The returns should include personal luggage left behind in enemy countries by British subjects when travelling home before or after the outbreak of war, care being taken to show whether the luggage was given into the charge of someone (a railway official or hotel keeper for example) or was detained against the will of any traveller.

The different forms and notices issued by the Public Trustee's Department can be seen at the British Consulate.

NOTES

THE ROLL OF HONOUR.

Major, H., late of Leopoldina Railway, accidently killed.
James, S., late of Chamberlain, Downes and Co., killed.
Johnston, G. S., late of Brazilian Warrants Co., Santos, killed.

Debt and Resources of the State of Amazonas.

Foreign funded debt in francs	73,877,500
Home funded debt	22,510,000
Floating debt	25,600,000
	121,987,500

Equivalent to 304 francs per head, man, woman and child.

The foreign debt consists of a loan issued by the Société Marseillaise de Crédit Industriel et Commercial de Paris, in 168,000 bonds of 500 francs of 5 per cent., bearing interest at the rate of 12f50 payable half-yearly and amortisable at par. This loan is secured by the product of "patentes" and the export duty of rubber and the net returns of the Tramway and Electric Light of Manáos. These bonds, which were quoted on the Paris Stock Exchange in 1907 at 387f50, rose to 439f50 in 1911, but in October of the current year had dropped to 200f00 in spite of a balance of 4,200,000 francs having been deposited with the Soc. Marseillaise as guarantee of the coupons. This loan was issued in 1906, when the future of Amazonas was already menaced by the competition of plantation rubber and the commonest prudence should have prevented such operation being realised. Exports of rubber have declined steadily. In 1910 exports of rubber were 9,879 tons and yielded 142,879,000 francs, but by 1914 had dropped to 8,468 tons and their yield to 45,510,000 francs.

The actual export duty is 18 per cent. ad valorem, but will be raised in 1916 to 22 per cent. Meanwhile its yield dropped from 24,720,000 francs in 1910 to only 7,720,000 francs or less than one third of that of 1914.

Tobacco. Necessity is the mother of invention. So long as Brazil depended on Germany to dispose of her tobacco and France depended on that country to purchase it, little direct trade between this country and France was possible.

The war, however, has stopped all that, and the French "Regie" been brought to a sense of the absurdity of buying through third parties what they could have bought much chepaer themselves from producers.

For the first ten months of the current year, some 20,000 tons of tobacco was exported, as against 25,000 tons last year, a shrinkage of 25 per cent.

Owing, however, to the closing of German markets and difficulty in finding substitutes, the sterling value of exports fell from £1,470,000 to £9001,000 or 38 per cent. and even at that value most of the tobacco seems to have been stored in bond at Lisbon.

Now, however, arrangements have been come to wtih the French "Regie", with whom Brazilian tobacco to the value of over £200,000 has already been contracted.

It's an ill wind that blows nobody any good! and if the war results in business being done direct between Brazil and France in future, it will be advantageous to both sides.

There are many lessons to be learned from the war, one of which is the dispensable nature of German go-betweens, which our own, i.e., British, people might with advantage lay to heart!

The intervention of the Netherlands Overseas Trust we are authoritatively informed, is not necessary for shipments of tobacco to neutral firms in Holland.

Cotton and Sugar. In consequence of the prolonged drought in the northern States of the Union, production of cotton and most other staples has fallen to such a point as to threaten to be insufficient even for domestic consumption.

Were it not that the control of exports is a constitutional attribute exclusively of the different States that go to make up the Union, the shortage of cotton that is threatening the not inconsiderable Brazilian textile industry might be remedied by raising the duties on exports or total prohibition. As it is, all that the Federal Government can do in this sense is to recommend the sundry State Governments to use their judgment as to the restriction or prohibition of exports of cotton, sugar and cereals.

Meanwhile, to remove the pressure on national industries and obviate a dangerous rise in the prices of articles of prime necessity, the Federal Government has resolved to recommend a reduction of import duties to Congress sufficient to permit of importation and competition of similar produce of foreign origin.

In consequence of the war and the crisis, not only have imports of raw metals fallen off very materially, but a good deal of old metal has been exported to different destinations. As exchange falls exportation of even the poorest materials becomes profitable and unless checked may threaten our own supplies. Here again Government cannot interfere directly, but only by recommending the State Governments to do what they can to put a stop to so prejudicial a trade. As regards government stocks of old metals, further sales for export have been prohibited.

There can be no question from the consmuers' point of view, of the advisability of relaxing the absurdly protective duties in an emergency like this.

Not only are cotton goods an absolute necessity, but a large number of factories, employing many thousands of workmen, would have to close down unless some relief to the prohibitive prices cotton has reached were afforded. By lowering import duties Government will kill two birds with one stone—help consumers and keep the mills with their thousands of operatives employed.

Orville Derby. We are glad to learn that the Minister of Agriculture is making investigation regarding the death of Mr. Derby. In the absence of heirs, one of the departments of that Ministry has undertaken to make an inventory of all effects and papers left by Dr. Derby both at his office at the Department and at his rooms in the Strangers' Hotel, that will no doubt throw light on the circumstances surrounding his death. An enquiry seems all the more necessary because of insinuations in certain newspapers reflecting on Dr. Derby's honour. From an intimate friend of Dr. Derby's, we learn that he had lately last the whole of his life's savings through injudicious investments and it was perhaps this that filled the cup and led to his fatal resolve.

Neutral Trade with Germany. A fresh petition has been presenetd to the Brazilian Minister of Foreign Affairs soliciting his intervention for the liberation of goods of German and Austrian origin said to be actually lying in neutral ports and it is to be presumed purchased or ordered by the Brazilian protesting houses.

The petitioners base their claim on the permission granted by Great Britain for shipment of noncontraband goods under similar circumstances to importers in the United States on conditions of presentation of proof that said goods had been *ordered* before 1st March, 1915.

On these terms merchandise to a very considerable value was, according to American statements, exported to the United States and we see no reason to doubt that similar treatment would be meted out to Brazilian traders had representation been made in proper quarters.

The *sine quâ non* of such concessions to Americans or anyone else is, however, presentation of proof of the goods having been *ordered* prior to 1st March.

At first concessions were limited to goods for which proof of absolute payment prior to that date could be shown. Not to be too hard on bona-fide traders, who otherwise might be unable to fill their contracts, the British Government gave way on this point with regard to American importers, as, we see reason to believe, would not be the case with regard to Brazilian importers also, had they taken the precaution of proving their case betimes, of which there is no evidence in this last petition.

After the War. Judging from what is even now occurring in Great Britain, one of the first considerations of belligerents, on the conclusion of peace, will be how best to make up the frightful wastage of human life entailed by the war.

In some quarters there is a tendency to exaggerate the exodus of labour from tax-ridden Europe. But judging from what is even now occurring, the tendency would seem to be rather the other way. Directly peace is concluded there will be an enormous demand for labour in the countries that have suffered from the invasion that can only be made good by neutral countries that have escaped the effects of the war, such as Switzerland, Portugal, Scandinavia and Spain, precisely the countries that S. America counts on for renewal of the current of immigration.

So long as this demand persists it will be useless for American countries to look for any large increase of immigration nor, indeed, so long as prohibition of emigration from continental countries is generally enforced, of which there seems every probability.

—At a meeting of the Council of the London Chamber of Commerce a number of proposals were considered affecting trade relations, after the war, between Great Britain, the Dominions, and the Allies, and the present enemy countries. One of the most interesting was the recommendation that the Imperial and Colonial Governments should impose high discriminatory duties on goods of enemy origin. This proposal has already been approved by the Australian Merchants' Committee and the Australasian Section of the Chamber of Commerce. A Special Committee, consisting of representatives of the trade sections and associations affiliated with the Chamber of Commerce, has now been appointed to examine and report on all the proposals approved by the Council with a view to such collective action as may be possible.

The Note to Gt. Britain. It must be admitted that the American note presents issues of the utmost gravity. Reduced to its simplest terms, the contention of the United States is that Great Britain under the accepted terms of international law, may not use its actual control of the seas so as to extend the blockade of the ports of belligerents to the ports of neutral nations, and may not plead the altered conditions of modern war and commerce to justify departures from international law at her own convenience.

That neutral nations contiguous to enemy countries continue to trade with the enemy, Mr. Lansing contends, does not justify Great Britain in attempting what amounts practically to the closure of such neutral nations to commerce with the outside world. Events of the past year prove conclusively that it is impossible for the British navy to distinguish between goods which will in fact be consumed in the neutral country of their destination and those which will be forwarded thence to belligerent purchasers. In practice the attempt works out into a scheme for holding up practically all commerce between one neutral nation and another contiguous with on in communication with an enemy country, and subjecting it to veritably fatal obstacles and delays.

The subject matter of this controversy, of course, is goods of non-contraband and conditional contraband nature. Munitions of war and equally unquestionable contraband fall into quite a different category. Mr. Lansing presents an exceedingly strong case, not merely with respect to his citation of the expressed opinions of the British Government prior to the war, but in the fact that Great Britain has herself largely expanded her trade with the neutral countries of Europe and is similarly unable to distinguish the ultimate place of consumption of specified goods. Here Great Britain has found it necessary to rely upon the responsibility of the Governments of Holland, Denmark and Sweden for the neutrality of their respective citizens. In respect to goods originating in the United States she has attempted to shift that responsibility to our shippers.

After all, the larger issue is simply what the control of the seas shall mean hereafter. In contending for the preservation of the liberal provisions of international law heretofore established, the United States is performing a service for which Great Britain will be as grateful as any other nation in the distant future. The seas will be ruled by some power able to do it. The United States is interested only in influencing Britannia's rule to the end that it may hereafter be as acceptable to peace loving peoples as it has been heretofore.—"Wall Street Journal."

Rights of Neutrals. The American Note, says Professor Stowell, of Columbia University, an advocate, by the way, of the intervention of the United States in the defence of Belgium, "should have been delivered to the British Government months ago. Now that it has been done, I hope that the British Government and American people will have no just cause to believe that more long delay in action signifies any intention to permit the sacrifice of American rights of neutral commerce. The Note is very full and emphatic, but though it covers the ground it does not, of course, state that the injurious nature of Great Britain's action is all the more excessive and burdensome to neutrals because of the great influence, not to say control, that Great Britain exercises over shipping and maritime insurance."

It is all very well to insist on international rights, but first of all there must be some kind of international agreement as to their constitution. Have Americans the "right" to deal with the enemy through the medium of neutral countries?

That is the question that their own precedents in the Civil War would seem to disavow. Meanwhile if Great Britain chooses to exercise her "right" to control shipping by requisitioning all British shipping for Allied purposes and prohibiting insurance of neutral vessels and neutral cargo under suspicion, what is to prevent her thus putting a stop to illicit trading by neutrals with the enemy?

Here in Brazil we are at this very moment brought to a sense of the power of Great Britain wields through her ability, if she chooses, to throw the neutral overseas trade into confusion by the pressure she can bring on the cost of transport and insurance.

The American Note. The "Statist" deprecates the spirit in which the last American Note is being commented on by the militant and sensational press. There are rights on both sides and it is desirable that the belligerents should not only understand but respect the rights of neutrals and vice-versa. As any country may become a belligerent, it is not to the general interest to cripple belligerent rights nor, on the other hand, to cripple neutral rights too much. For a long time the British Government was a neutral Power and it was to its interests to have neutral rights respected. When the war is over a long period of peace may be looked for, when, if wars between other countries arise, it would be to the interest of Great Britain to see that neutral rights of every kind be respected. On the other hand, if a power like the United States were involved in war, it would be to the advantage of that country for belligerent rights to be fully respected.

The true interests of both parties, says the "Statist," is for belligerents to respect the rights of neutrals and for neutrals not to prevent belligerents from infringing what are acknowledged to be belligerent rights and so bring the war to an early conclusion.

The difficulty lies precisely in the interpretation of "rights." In regard to the neutrality of vessels, for example, a lively exchange of notes is now going on between the British, American and Argentine Governments as regards what constitutes the nationality of a vessel. The Declaration of London stipulated that the nationality of a vessel should be determined by its flag and until quite lately this interpretation was accepted by the British Government. But the Declaration of London was never ratified either by Great Britain, Argentina, or the United States and is not therefore binding on those countries.

The declaration of London has, however, been denounced by Gt. Britain, so that the determination of the nationality of vessels by that country reverts to the rules previously established by international practice.

Both Great Britain and the United States and, in fact, most other countries accepted in practice the rule that the nationality of a vessel was established by ownership, not by the flag. This the aborted Declaration of London could not modify and if for a time British practise followed the latter interpretation, it was merely a concession on her part subject to reconsideration.

The matter is eminently one for arbitration, although, at first sight, the decision in favour of Great Britain of the question of the nationality of the vessel itself arising from seizure of American and Argentine boats would seem to be a foregone conclusion.

With regard to the Argentine incident, the dispute is aggravated by the fact that this steamer had been sailing under the Argentine flag for several years and, moreover, was engaged exclusively in Argentine coasting trade. Her crew, though mostly of German origin, have been liberated and this might seem a precedent for liberation of the vessel also were not the principles that rule international law in the latter case so different.

The real issue would seem to be, not so much whether nationality is, according to actual international law, constituted by the nationality of the owners of a vessel as to whether such nationality is, in case of transfer, in accordance with international practice, which, according to British practice, maintains that transfer of a vessel may not be effected to evade the consequences of war.

In the case of the American and Argentine vessels lately apprehended, the main points which seem to require to be cleared up are: whether the vessels were effectively transferred to another flag before or after the war, and whether they still figure on the registry of an enemy country and have they been regularly entered on the registry of the country of their actual and putative owners.

More Trouble for Germany. The Japanese Government has agreed to join in the formation of a company for manufacture of dyestuffs on the following basis:—The capital of the company is about 10,000,000 yen. If it is impossible to secure this amount at the launching of the project, the capital shall be fixed at 5,000,000 yen at first, but increased to 10,000,000 yen in the year following that in which the company is established. Factories will be built in Tokio, Osaka and Fukuoka. Shareholders must be officials of gas companies or of companies engaged in the manufacture of chemicals, medicines and perfumery and other private business men. The Department of Agriculture and Commerce will place 2.400 tons of benzol produced by the Government Steel Works at the disposal of the company for the regulation of the price of materials for the manufacture of dyestuffs, and will guarantee a profit of 8 per cent. per annum for ten years from the date of the establishment of the company. The methods of calculating the profit and the amount of subsidy to be given by the Government are to be determined by regulations to be issued in the form of an Imperial Ordinance.

TRADE IN CHINA—AN OBJECT LESSON.

(From the Board of Trade Journal.)

The following memorandum on trade expansion in China, comparing the methods of business adopted by British and German firms, has been prepared by the Assistant British Commercial Attaché in China (Mr. C. A. W. Rose) as an endeavour to face the facts of German competition and to discover what immediate practica lsteps are possible for the improvement of British trade:—

Much has been said and written on the capture of German trade in China and, although much has been learned that is useful, there exists on the subject a good deal of confusion of thought. It may help to prevent such misunderstandings if the China trade is divided into four classes: (1) the great financial groups representing most of the treaty powers, which combine extensive banking operations with their businesses and which obtain political support in various spheres in China for the exploitation of railway, mining and similar enterprises; (2) the manufacturing firms who are able to finance their own businesses, and to establish a virtual monopoly for their products wherever they choose to compete with the large selling organisations which have established foreign agencies in the interior, with an elaborate machinery for the distribution throughout the length and breadth of China of kerosene oil, cigarettes, dyes, soda, alkalis, sugar and similar articles; (3) the piece goods auctions, with a turnover of £50,000 weekly, selling the products of Lancashire by auction without reserve to a ring of dealers from all over the country; and (4) the merchant houses —the firms large and small, which import piece goods, metals and sundries and export China produce, and which are ready to handle any business promising fair profits and quick returns. There is necessarily a slight overlapping in these four divisions, but, broadly speaking, they represent distinct lines of activity. The first three are full of life and British interests are holding their own under each of these heads. This memorandum is therefore devoted to an examination of the British position under the fourth head, seeking to discover if foreign competitors have any real advantages, if their methods are different, and if they have any special secret of success.

In a German firm large salaries are not paid, but every head of a department has a generous share of the profits which he brings to the firm :this has been a very real asset to German firms. Similar treatment has been accorded to the chief Chinese staffs, their energies having been stimulated by profit sharing. The heads of departments keep closely in touch with the Chinese; they spare no trouble to cultivate personal relations with them; they entertain them, they learn their customs, their habits of thought and often their language. It is impossible to lay too much stress on the last point: a man who knows even a little Chinese is in a very favourable position. He will probably conduct his actual business through an interpreter, but he has a very shrewd idea of what is going on, and the very act of learning the language gives an insight into Chinese methods of thought which is of incalculable value. Several of the most successful British firms are encouraging the study of the language in every possible way, and they find that it pays them to do so.

Again, the German firms have realised the value of the great hinterland which lies beyond the coast ports. When a prospect of a contract arises they go to the headquarters of industrial activity and suggest business to the men whom they already know; this is one of the factors making for success in opening up a conservative country such as China is. It is useless to wait for demand to stimulate supply; in most cases the demand must be created, especially in such matters as installations of machinery and industrial undertakings. Within the last few years the Chinese have been taught to need kerosene oil, lamps, cigarettes, cotton thread, needles, matches, sugar, electric light and power stations, waterworks, flour and oil mills, pumps, and steamboats. Chinese business men have learned a great deal by visits to Shanghai, Tientsin Hankow and Canton, and when they have gone back with vague knowledge and ill-defined wants, they are followed up, and the uses and financial advantages of the goods are explained and demonstrated to them in their own homes and in this way business is obtained.

There has been a tendency of late years for British manufacturers to combine to capture the machinery market of China, and large quantities of British machinery have been introduced. It is realised with disappointment, however, that this machinery is largely sold by German firms, and British firms naturally ask the reason. The reply is simple: German firms obtain the orders. The German firms have created a demand, the British firms have often waited for the demand to come to them. It may be known in Shanghai that a cotton mill is likely to be erected in the interior. The German firms send up a representative (in the case of textile machinery usually a British representative) with pictures, sometimes with a magic lantern, and a Chinese lecturer, who gives a real idea of the costs and the profits of such things to untrained but practical minds. This is done in no idealistic and speculative way, but quickly, cheaply, and with determination to cover at least the expenses of the journey. There is no hard and fast commission to be made from orders from home, and the main contract will be closed if a profit of any sort is in sight. The profits of a first contract will often be small, the contract will be regarded merely as an advertisement, a footing on the road to greater things. China is not sufficiently specialised to encourage or demand the services of consulting engineers and, consequently, it is seldom that the initial contract for any article or installation is inclusive or complete. Whilst the main contract is in progress, the business man knows very well that many subsidiary demands will necessarily arise, and on these incidental purchases he is certain of a good profit will ensure a sound margin for the contract as a whole. His expenses once secured in this way, and his footing once established in the district, he will have time and opportunity to seek for further profitable enterprises.

Business in China must be very elastic. The country is too undeveloped for any great specialisation at present, and, for many years to come, it will not pay merchants to depend on large contracts. The small lines are the bread and butter of the Chinese trade; industrial enterprises and Government contracts are the plums—but they are within the reach of every enterprising firm with a reasonable capital and a determination to enter the field. The men who are doing the pioneer work for Germans are seldom specialists, for specialisation in men is as premature as it is in machinery in this great undeveloped area. The men who are succeeding are those with sound business instincts, with energy, with an all-round knowledge of their particular departments and with a sense of responsibility. The manufacturers are able and willing to supply technical and highly specialised information if they are writing to a man who has sufficient knowledge to understand it, but anyone with experience of the Chinese will know that an agreement is generally concluded at the most unexpected moment. There will be long discussions and elaborate arguments: then suddenly the revelation of some new and unexpected element and the necessity for quick decision. That is the deciding factor. There is no time for reference to head quarters: the man on the spot must close at once.

It is generally claimed that piece goods are things apart; that the Shanghai dealers have formed so strong a ring that no house is strong enough to go behind them; and that even the oldest of British merchant firms was compelled to abandon piece goods auction in Hankow under a threat of boycott from the Shanghai dealers. There is no doubt that the dealers and the guilds are strong, but their opposition was gradually broken down by real enterprise and determination when kerosene oil and cigarettes and alkalis and sugar were taken to the interior. And now German firms have got behind the first line of defence with piece goods too. Agents are travelling in every province of the interior, carrying samples, and booking orders by telegraph. Where German firms have succeeded surely British firms can also succeed. It is said that the British piece-goods trade has reached its limit of expansion and the Chinese can absorb no more. Under the present conditions that may be true, but it implies a false foundation. China's credit is good, her economic and industrial development is proceeding on steady lines, and her producing and absorbing capacities grow greater each year. If British cottons have reached a temporary limit, piece goods in general have certainly not done so. Japan is producing and distributing with ever-increasing efficiency, and is breaking new ground every year; Russia has opened up new markets and created a new trade with printed cottons; the Shanghai mills are turning out cotton yarn and cotton cloth with all the advantages of cheap labour. The real commercial struggle is only just beginning, and, although British firms still hold the first line, foreign competitors are getting behind it, penetrating to the very centres of supply and demand.

Before leaving the question of imports there is one other method of business which has been used by German firms with success, namely their technical bureaux. These are groups of non-competitive manufacturers in Germany, who are unwilling to incur the expense of individual representation in China, but who are determied to find an opening in the market. They send out a joint representative, with an expert knowledge of their products, to join an established and well-connected merchant firm in China. That firm supplies the representative with special knowledge of the Chinese and their ways of business and he does the work of advising and suggesting. When orders are forthcoming, they go direct to the manufacturers of the group. These bureaux are useful in establishing connections, but they are very elastic and are run on economical lines. If a member of the group receives no orders he drops out; if, on the other hand, he establishes a connection, he is able to stand alone. In this way many German manufacturers have been enabled to secure openings at a minimum of expense. Several British organisations have attempted to follow on these lines, but they have generally failed through their schemes being too ambitious, not realising that business is very close-cut and that practical knowledge of the market is indispensable to success.

A word about exports may be useful. German firms have practically created the business in Chinese export produce during the last ten years. They have established an elaborate machinery in the interior with foreign buying agents, and appliances for storing, cleaning and packing their cargo. They have also created a demand in Germany for Chinese produce, for seeds and beans and hides and ores. Such business requires special knowledge, special machinery and considerable capital. It is said to have paid the Germans well, and it might equally pay British firms well, but it cannot be lightly undertaken as part of a general business. It has the great advantage of maintaining men in central positions all over the interior, and it is one of the factors which have helped to open the interior of China to foreign trade.

In the discussion of German trade methods it is often asserted that they obtain their advantage by allowing long credits and large commissions which are repugnant to British ideas of legitimate trade. The writer has had unusual opportunities of watching German firms at work with their normal trade, and he is convinced that the more successful do not encourage long credits, that their business is generally conducted on sound lines, and their success largely due to the fact that they do not lose money by giving credit without suitable security. They certainly cut rates and profits, and offer exceptional facilities to customers when they are breaking new ground or trying to capture a market, but that is no novelty in commercial campaigns. They also pay commissions on machinery and Government contracts.

There remains the question of Government support. It is frequently said that the German firms are state-aided and without such aid they could not carry on business. The writer understands that in exception cases facilities are given by German industrial banks, but only after the most careful scrutiny of contracts by consular officials. Experience of a large number of German business men in different parts of China has not proved them to be more anxious to enlist the sympathy or to court the interference of their officials than are British firms. There is just as much comment among Germans as among Britons as to the support afforded to its nationals by the Government of their rivals.

MONEY

Rio de Janeiro, December 11th, 1915.

Closing Rates (from the "Jornal do Commercio"):—

	90 days' Bank	Commercial	Sovs.
Saturday, 4th December	12 1-8	12 3-16	20$400
Monday, 6th December	12 3-32	12 3-16	20$400
Tuesday, 7th December	12 1-8	12 7-32	20$400
Wednesday, 8th December	Holiday		
Thursday, 9th December	12 3-16	12 7-32	20$400
Friday, 10th December	12 5-32	12 1-4	20$300
Saturday, 11th December	12 1-8	12 7-32	20$300

Gold in the Caixa de Conversão on 11th December amounted to £5,015,397, no alteration since previous Saturday.

The market opened on Monday, 6th December, with all banks drawing at 12 3-32d. and offering to take at 12 3-16d., with business practically paralysed and closed at same rates, with commercial quoted at 12 3-16d.

Tuesday, 7th December. The market opened and closed at 12 3-32d., with few bills offered at 12 3-16d.

Wednesday, 8th December. Holiday.

Thursday, 9th December. The market opened with some banks drawing at 12 1-8d. and others at 12 5-32d., towards the close of the day some banks offered to draw at 12 3-16d., without finding money, the market closing at 12 1-4d.

Friday, 10th December. The market opened with all banks drawing at 12 3-16d and few bills offering at 12 1-4d., the banks towards the close retiring their rates to 12 5-32d.

Saturday, 11th December. The market opened with banks drawing at 12 5-32d. and closed at 12 1-8d. and commercial quoted at 12 7-32d. Nothing doing at Santos.

Ninety days' rate on New York was steady at 4$200 until Thursday, when it dropped to 4$180 for the rest of the week.

Sterling (telegraphic transfer) rates on London closed this evening at $4.72¾, as against $4.71 5-8 on 4th Dec.; francs 5.84 as against 5.81; marks 79 as against 78¾.

Ninety days' rates oscillated during the week between 12 3-32d and 12 5-32d., without much tendency one way or the other.

Embarques (coffee loaded) fell off slightly, as also their sterling value, from £887,000 for the previous week to £841,000, but, in view of the complete paralysation of business with Scandinavia, a serious decline is anticipated when the actual engagements contracted for that destination have been complied with, a great many of which, moreover, have already been cancelled.

Sterling rubber prices keep up at the 3s. level and bills begin to make their appearance in this market, but the supply from Bahia is slackening.

Rumours of peace a few days ago gave a little encouragement which, however, was quickly dissipated by the speeches in the Reichstag and Parliament.

Coffee prices fortunately keep up in spite of all discouragements and there seems to be no slackening in the demand for the United States. Otherwise long prospects are not reassuring.

Average Official Sight Rates on London:—

Quarter	1st	2nd	3rd	4th	12 mos.
1912 ...	15 29-32	16 1-32	15 31-32	15 63-64	16
1913 ...	15 63-64	15 59-64	15 59-64	15 59-64	15 61-64
1914 ...	15 13-16	13 15-32	13 17-64	14 55-64	14 21-32
1915 ...	12 45-64	12 5-16	12 9-16		

These averages are the quotients of the quotations for all the working days of each quarter.

COFFEE BILLS.

We understand that several Brazilian coffee firms have had difficulties with their bills in the London market, notwithstanding credits having been opened for them, which, in ignorance of the intention of the British Government or the action that should be taken, puts bankers here in an awkward position.

With respect to coffee bills offered by a Brazilian firm drawn under a sterling letter of credit, there is no assurance as to whether the transaction has been carried through on behalf of said firm or on that of firms blacklisted by the British Government.

The amount of coffee business that can be done by a firm under letters of credit bears no relation to its capital and in the event of the purchase by a bank of a lot of bills which for any reason were not accepted in London, it seems questionable whether the whole amount could be recovered at this end. If the firm is solvent, its bills might no doubt be protected by delivery of bills on New York, or something similar. But that would entail arbitrage and possible loss to the bank. Otherwise the bank would be left with the coffee on its hands and, if it were seized by the British Government on any pretext, would have to look for compensation solely to the Prize Court.

Business, moreover, would come to a stop if bankers, on this side, were obliged to prove the origin of each separate transaction.

Bills are likewise offered here drawn on London banks with bills of lading attached showing shipment to some Scandinavian countries. What would be the standing of such an acceptance, in the event of the British Government deciding that the coffee was on its way to a Scandinavian country en route for Germany? Would it be protected?

Responsibility, on this hypothesis, would seem to rest between the British bank that originally opened the credit and the British Government, seeing that the necessary precautions would naturally be supposed to have been taken before the credit was opened.

In reply to enquiries, the following statement from authoritative quarters has been received:

The British Government from time to time notifies banks of the names of firms whose transactions it is undesirable to facilitate or finance, without prejudice, however, to transactions entered into under credits opened or confirmed by the banks prior to notice.

If a Brazilian firm offers a bill drawn under a credit opened in a neutral country but not confirmed by a British bank, it is possible that the bill might not be honoured on presentation, should it transpire that either the drawer or the party on whose account the credit has been opened had, meanwhile, been "blacklisted."

As regards bills drawn against documents, if drawn under a credit confirmed by a British bank they would be accepted against delivery of documents, provided the latter were in accordance with the credit. Should the goods subsequently be seized, the matter would, apparently, be one for the attention of the parties by whom the credit was opened, but if the bills were drawn under a credit opened by a bank in a neutral country not confirmed by a London bank, there would be risk of their non-acceptance.

Latest Quotations:—

	1915 Dec. 4	1915 Dec. 11	1914 Dec. 11
4 per cent., 1889	49	48½	72
Funding, 1898, 5 per cent.	94	90½	89
Funding, 1914	77¾	76½	74½
1910, 4 per cent.	50½	48½	49
S. Paulo, 1888	91	88	—
Leopoldina stock	37¾	37	38
S. Paulo Railway Ordinary	179	179	207½
Traction Ordinary	56	55¾	60
Dumont Coffee Co.	8	9	6
Gold Vales	12½d.	12½d.	14d.

Treasury bills, 16 to 17 per cent. discount.

The Emergency Issue. Statement for 11th December:—

ASSETS.

Received from Caixa de Amortisação		150.000:000$
Withdrawn and burnt		10.022:551$
Loaned to banks		100.000:000$
Interest deposited to cover expenses of issue		37:608$
Interest due from banks		365:584$
Repaid by banks on account of amort. and int.—		
Cash	4.078:031$	
Treasury bills	76.270:400$	
Interest on same	180:840$	
Expenses of issue	481:980$	81.011:251$
		341.436:994$

LIABILITIES.

Emission authorised	250.000:000$
10 per cent. of Customs receipts Rio and Santos	2.985:582$
Amortisation of loans	84.888:123$
Interest on loans	3.563:289$
	341.436:994$

Movement of principal exchange banks, 30th November:—

	Deposits at call	Cash	Ratio	Discounts
Banco do Brazil	66.428:175$	33.609:109$	50.5%	14.599:844$
London and River Plate	12.836:191$	7.169:739$	55.8%	1.046:677$
London and Brazilian	10.936:361$	13.162:526$	121.2%	1.361:145$
British of S. America	13.615:591$	14.701:737$	107.9%	3.990:352$
Brasilianische fur Dd.	9.616:667$	7.150:870$	74.3%	6.374:666$
Banco Germanico	5.112:284$	4.132:697$	80.8%	1.819:682$
Allemao Transatlantico	7.731:656$	7.946:113$	102.7%	1.505:593$
National City Bank	10.657:168$	4.929:407$	46.2%	1.056:880$
Total, 30th November, 1915	136.934:093$	92.802:198$	67.7%	31.754:839$
Total, 31st October, 1915	128.439:212$	82.544:133$	64.3%	31.191:308$
Total, 30th Sept., 1915	135.705:140$	93.514:559$	68.5%	31.587:204$
Total, 31st August, 1915	129.017:220$	87.800:399$	68.1%	38.327:413$
Total, 31st July, 1915	139.969:641$	90.493:061$	64.7%	39.083:831$
Total 30th June 1915	135.122:303$	88.271:939$	65.3%	37.854:026$
Total, 31st May, 1915	184.470:270$	91.112:387$	43.4%	39.112:521$
Total, 30th April, 1915	157.177:029$	86.504:763$	54.4%	38.288:976$
Total, 31st March, 1915	193.386:852$	89.174:254$	46.1%	39.178:244$
Total, 28th February, 1915	191.279:797$	80.411:790$	42.4%	38.847:339$
Total, 31st January, 1915	170.362:127$	87.017:159$	58.8%	50.344:908$
Total, 31st December, 1914	150.645:866$	90.851:543$	60.3%	51.788:013$
Total, 30th November, 1914	165.908:950$	93.495:061$	56.3%	
Total, 31st October, 1914	160.081:961$	83.081:961$	51.9%	
Total, 30th September, 1914	179.008:350$	90.918:777$	50.8...	
Total, 31st August, 1914	185.347:846$	72.316:057$	39.0%	
Total, 31st July, 1914	156.019:985$	72.316:356$	46.4%	

Sterling Exchange. The effects on exchange of the American loan, now that the £96,000,000 of money raised by Great Britain and France are available is already making itself felt, whilst a further credit of £40,000,000 is said to be under consideration. Exports of gold, in consequence, may be expected to diminish, though several other countries seem to be in a position to draw gold from London. Great Britain, of course, possesses a large stock of gold and can count on the daily large output of S. Africa and the Colonies to replenish its stock, not to mention French and Russian supplies. At present Great Britain, as the "Statist" points out, is lending more abroad than it did in times of peace, so that, over and above the great balances in favour of other countries, we are obliged to provide immense sums in respect of our advances of capital and for purchase of Government stores. With an adverse trade balance of £600,000,000 per annum, gold must continue to be exported in spite of all credits we may obtain unless immediate steps are taken to compel the nation to be more economical as regards domestic expenditure. Another danger of the unlimited outpouring of gold is the inflation that is certain to follow, that may force prices of commodities up to figures unknown since the days of Napoleon. Already the situation in the United States gives evidence of this danger. Speculation there is rampant and the great boom in trade, which seems to be at hand, will cause consumption of goods of all kinds in America to increase and prices to rise in that and other countries.

COFFEE

Rio de Janeiro, December 11th, 1915.

Entries at the two ports for the week ended 9th December show a decrease of 40.315 bags compared with previous week, but for the crop to same date an increase of 3.373.337 bags, of which 836.313 bags at Rio and 2.537,024 at Santos.

Of the total estimated crop of 15.000.000 bags, about 64 per cent. have already come down to market of which 66 per cent. for S Paulo and 61 per cent. for Rio; the estimate for the Rio crop having been raised to 3.250.000.

Clearances were large again, 458.918 bags, as against 429,665 bags for previous week. For the crop to 9th December they amounted to 7.648.313 bags and their f.o.b. value to £14.282.174, as against only £9.577.940 last year.

The f.o.b. value for the week improved to £1.939 per bag from £1.926 for previous week and £1.960 the week before.

Embarques (coffee loaded) show a falling off for the week of 32,301 bags at the two ports and at £1.939 per bag, yielded £840.000 f.o.b., as against £887.000 for previous week and £594.000 the week before.

Sales improved slightly, 8.651 bags more being declared at the two ports than for previous week.

Of the total of 463.310 bags **sailed,** 214.089 went to the United States, 92.804 to Scandinavia, 149.728 to rest of Europe and the Mediterranean, 2.297 to the Plate and 4.392 coastwise.

Stocks at Rio and Santos on 9th December amounted to 2.573.334 bags, an increase of 22.474 for the week, accounted for by increase of 44.913 at Rio, but shrinkage at Santos of 22.439 bags.

Prices. No alteration at Rio for No. 7 at 5$447, No. 8 at 5$175 and No. 9 at 4$902 since previous Thursday. At Santos both superior and good average improved 100 reis, closing at 5$600 and 3$900 respectively.

At New York options likewise improved, March from 6.70c. to 6.76c., May 6.80c. to 6.84c., and July closing at 6.89c.

At Havre there was no alteration at 54f75 for March, 54f00 for May and 53f75 July

At London no alteration at 40s. 9d. per cwt. since previous Thursday.

Prices keep up both at home and abroad and embarques, though smaller, are fair, so that stocks remain about the two million level, but the news from Scandinavia is bad and there seems very little prospect of an early renewal of that boom.

In fact, the whole business has been overdone and what with British submarines in the Baltic and difficulties as regards credits and insurance and an intemperate rise in freight rates, the c.i.f. value of coffee must have gone up to such a point as to be practically prohibitive for impoverished Germany, where, to judge from a cable from Berne, gold commands a premium of 20 per cent.

There seems, therefore, every probability of Scandinavia ceasing for a time to be a considerable factor in our markets, and that to dispose of the rest of our crop we must rely chiefly on the United States and the Allies, seeing that demand from European neutrals is being cut down almost daily by the accession of quondam neutrals to the ranks of the enemy.

It is fortunate, under such circumstances, that we can rely if necessary on the Rs. 150.000:000$ voted by Congress to take up coffee whenever sterling prices show signs of weakening.

COFFEE PROSPECTS.

Probable exports to Allied and Neutral Countries, in 1,000 bags, for rest of crop:—

	To 9th Dec., 1915	Crop 1914	Balance to be shipped on basis 1914
U.S.A.	3.455	5.770	2,315
Scandinavia	2.069	1,808	—
*Holland	360	720	360
Europe and Medit.	1.573	3.297	1.724
River Plate, etc. ...	128	326	198
The Cape	130	202	72
	7.715	12.123	4.669
Coastwise	118	259	141
Total	7.833	12.382	4.810

*On basis of 60.000 bags per month.

It is probable, though somewhat optimistic, that in view of large re-exports from the United States, that exports to that country may considerably exceed last year's and reach, perhaps, 6,000.000 bags, as against an average for the last three crops 1912-1915 of 5.452.390 bags.

Scandinavia has already received 300.000 bags more than for the whole of last season, and judging from what is occurring, not much more will go to that destination. But supposing that, at most, another 500.000 bags go forward, this should be added to the total exports for the next six months.

As regards Holland, exports are fixed at 60.000 per month.

For the rest of Europe and the Mediterranean, something must be deducted for the effect of the commercial blockade of the Balkans and possibly of Greece, so that it seems unlikely that exports to the rest of Europe and the Mediterranean will exceed 1.300.000 bags, when the position would be as follows:—

Exports to U.S.A., maximum		2.545.000
Scandinavia, say maximum		500.000
Holland		360.000
Rest of Europe and Mediterranean, maximum		1.300,000
River Plate etc.		198,000
The Cape		72,000
		4.975,000
Stock, July, 1915 & estimated entries for crop	15.400.000	
Actual entries to 9th December	9.679.000	
Balance to come down	5.721,000	
Stock on 9th December	2.573,000	
	8.294.000	8.294.000
		3.319,000
Coastwise shipments		141.000
Probable stock on 30th June, 1915		3.178,000

Addition or deduction as exports to United States, Scandinavia and rest of Europe fall below or exceed foregoing figures.

The value of clearances to 9th December was	£14.282,174
Presuming that 4.975.000 bags more will be shipped abroad during the crop and that sterling prices are maintained at about £2 f.o.b. per bag	9.975,000
The total value of the crop cleared to foreign ports would amount to	£24.257.174
as against 1914-15	£26.557.000
and 1913-14	£40.106.098

Entries on the basis of first quarter, July-Sept., given on page 547 of this Review, allowed for clearances of 13,200,000 bags instead of 12.700,000 and a price of £2.141 per bag on an average for the crop instead of £1.910, giving a total f.o.b. value of £28,206,800 in lieu of present estimate of £24.357.174, the different in value being accounted for by the shrinkage of 500.000 bags in quantity and the reduction in f.o.b. value.

—The "Bulletin du Correspondance" of Havre of 30 Nov. (rather belated) states that in spite of the languishing tendency of the Rotterdam market and great disparity of prices with neighbouring markets, prices in Holland continue to rise, especially for free coffees. Entries, with the exception of those from the Dutch Colonies, are now so restricted by the Netherlands Overseas Trust that offers are insufficient to fill requirements and prices are rising without any justification as regards the general coffee position. Free coffees have risen 5c. and quotations are momentarily suspended and transactions restricted to liquidation of old contratcs. The deposit has been raised to 12.000 guilders (£1,075) per contract, which is prohibitive.

—The "American Grocer" of 24th Nov. says: "There is nothing in sight in the local market to stimulate new business. The cotton houses and Wall Street that ten days ago put the market up 70 points are not in evidence just now. Unless there is news of disaster to the growing crop or this current crop, the situation may continue as now for the winter. Deliveries are well sustained and larger than last year's. The report that England would check shipments to Scandinavia unless it can be guaranteed that coffee will not be re-exported to Germany exercised a bearish influence.

—With regard to our article on the movement of the 1914-15 coffee crop, M. Laneuville writes us as follows:—"On page 470 you compare clearances overseas from Brazil (not including coastwise coffees) for 1909-10 to 1914-15 according to your statistics with my total net deliveries of the world, which include the shipments to Brazilian ports and local consumption of Rio and Santos and find a difference of 6,630,000 bags. What do you want to prove by this? The visible supply of Brazil sorts on 30th June, 1915 was not 11,890,000 but 11,093,000 bags. Further for 1914-15 my "expeditions" for the Cape, cabotagem and local consumption at Rio and Santos were not 95,000 bags but 830,000 bags, the 95,000 bags are for June, 1915, only. I cannot, of course, give details of shipments to the Cape, Brazilian ports and for local consumption of Rio and Santos, as these are not given separately every month, but they all form together one item, which is calculated by taking the receipts, the stock and the clearances to Europe and the United States given at the end of every month. The Brazil sorts in my statistics consist only of coffee from Rio, Santos, Bahia and Victoria. The coffees from other Brazil ports, which do not amount to much, and for which figures are only given much later for the whole of the season, are added every month to the arrivals of other sorts.

"You likewise compare the deliveries of the crop years 1909-10 to 1912-13 amounting to 69,961,000 with the customs clearances 71,269,000, taking an average for every year, but your figures are wrong, or at all events this is not the way to proceed about it. If you want to make a fair comparison you ought to take a greater number of years or make the comparison as follows: —

	Customs Clearances	
Deliveries—1909-10—1913-14 88.543,000 bags	1910	18,250,000
	1911	17,265,000
	1912	17,710,000
Deliveries—1 Jan. 1910-31 Dec. 1914 88,421,000 bags	1913	18,030,000
	1914	18,500,000
		89,755,000

Clearances are slightly in excess, but not much because the comparison is only for a limited number of years, besides deliveries and customs clearances cannot mathematically agree and, moreover, consumption in some of the countries, in the East, for example, consist of various coffees other than Brazil, which do not go through the statistical ports and are not counted in deliveries."

We regret not to have time at this moment to treat in detail M. Laneuville's criticism of our figures, and so will merely point out that the object of comparing exports from Brazil with M. Laneuville's deliveries was precisely to determine approximately how much of the latter correspond to deliveries of "Other sorts."

Shipments of coastwise coffee amounting to 258,700 bags for the past season having, as M. Laneuville states, been included in deliveries, they should have been allowed for.

M. Laneuville also counts Rio and Santos consumption as deliveries, but seeing that verified stocks almost invariably exceeded the calculated stocks, it is evident that more coffee must have entered at those ports than was accounted for and it was agreed in compensation, not to deduct anything for consumption, as is the practice of M. Laneuville.

Coffee Statistics

During the week ending December 9th, 1915.

ENTRIES.

IN BAGS OF 60 KILOS.

RIO	FOR THE WEEK ENDED Dec. 9 1915	Dec. 2 1915	Dec 10 1914	FOR THE CROP TO Dec. 9 1915	Dec. 2 1914
Central and Leopoldina Ry	73.756	62 436	51.320	1.7 6 392	1.008.715
Inland	1.873	2.608	574	57 013	14.340
Coastwise, discharged	5.443	270	—	64.349	14.322
Total	81.072	65.314	51.894	1.827.754	1.037.377
Transferido from Rio to Nictheroy	2.946	6.141	532	48.938	13.779
Net Entries at Rio	78.126	59.173	54.362	1.778.816	1.023.[illegible]98
Nictheroy from Rio & Leopoldina	7.164	14.708	7.365	214.467	133.372
Total Rio, including Nictheroy & transit.	85 290	73.881	61 727	1.993.283	1 156.970
Total Santos :	294.086	345.810	316.870	7.686.489	5.149.465
Total Rio & Santos	379.376	419.691	378 597	9.679 772	6.306.435

The coast arrivals for the week ended December 9th, 1915. were from :—

Caravellas	3.133
S. João da Barra	2.309
Pelotas	1
Total	5 443

The total entries by the different S. Paulo Railways for the Crop to December 9th 1915 were as follows

	Past Jundiahy	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remaining at S. Paulo
1915 1916	6.412.973	1.168 969	7.581.942	7.686.489	—
1914 1915	4.457.467	725.762	5.183.249	5.149.465	—

FOREIGN STOCKS.

IN BAGS OF 60 KILOS.

	December 9/1915.	December 2/1915.	December 10/1914.
United States Ports	1.377.000	1.386.000	1.166.000
Havre	1.815.000	1.829.000	2.060.000
Both	3.192.000	3.215.000	3.226.000
Deliveries United States	170.000	181.000	137.000
Visible Supply at United States ports	2.217.000	2.175.000	1.750.000

SALES OF COFFEE.

During the week ending December 9th, 1915.

	December 9/1915.	December 2/1915.	December 10/1914.
Rio	60.894	58.748	33.641
Santos	150.000	143.500	200.347
Total	210 894	202.248	233.988

COFFEE LOADED (EMBARQUES).

IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP TO	
	1915 Dec. 9	1915 Dec. 2	1914 Dec. 10	1915 Dec. 9	1914 Dec. 10
Rio.. ..	106 264	105.518	48.951	1,682,287	971,169
Nictheroy	9 092	10,850	3,805	206.420	130 979
In transit	—	—	—	—	—
Total Rio including Nictheroy & transit	115,356	116.368	52.756	1,888.707	1.102.148
Santos	318,150	349,439	256.471	6,093,129	3,970 947
Rio & Santos	433,506	465,807	309,227	7.981,886	5,073,095

COFFEE SAILED.

During the week ending December 9th, 1915, were consigned to the following destinations:—

IN BAGS OF 60 KILOS.

PORTS	UNITED STATS	EUROPE & MEDITERRANEAN	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio......	—	32,810	3.892	2,050	—	—	38,752	1,709.705
Santos....	214,089	209,722	500	247	—	—	424 558	6.059.698
1915/1916..	214,089	242.532	3.392	2,297	—		463.310	7,769,403
1914/1915..	134,723	194.397	3.270	4,721	—	—	337,111	4,760,851

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS.

During the week ending December 9th, 1915.

IN BAGS OF 60 KILOS.

	Dec. 9	Dec. 2	Dec. 9	Dec. 2	Crop to Dec. 9/915	
	Bags	Bags	£	£	Bags	£
Rio	34.860	50,408	64.432	91 838	1,590,139	1,774,011
Santos	424,058	379,257	825 641	736.138	6,058,174	12,508,163
Total 1915/1916..	458,918	429,66..	890,093	827,976	7,618.313	14.282.174
do 1914/1915	333,841	240,140	761,045	490 562	4.659.729	9,577,940

OUR OWN STOCK.

IN BAGS OF 60 KILOS.

RIO Stock on December 2nd, 1915.		373 536
Entries during week ended Debember 9th, 1915		78.126
		451.662
Loaded «Embarques», for the week Dec. 9th, 1915		106.264
STOCK IN RIO ON December 9th, 1915		345.398
Stock at Nictheroy and Porto da Madama on » December 2nd, 1915	26,094	
» Afloat on December 2nd, 1915	132.781	
Entries at Nictheroy plus total *embarques* including transit	122,520	
	281.395	
Deduct: embarques at Nictheroy, Porto da Madama and Vianna and sailings during the week December 2nd, 1915.	47.844	
STOCK IN NICTHEROY AND AFLOAT ON Dec. 9th, 1915.		233.551
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and AFLOAT ON December 9th, 1915..		578.949
SANTOS Stock on December 2nd, 1915	2.018.449	
Entries for week ended December 9th, 1915..	294.086	
	2.312.535	
Loaded (*embarques*) during same week	318.150	
STOCK IN SANTOS ON December 9th, 1915..		1.994.385
Stock in Rio and Santos on December 9th, 1915...		2.573.334
do do on December 2nd. 1915..		2.650.810
» » » December 10th, 1914.		2,082.786

COFFEE PRICE CURRENT.

During the week ending December 9th, 1915.

	Dec. 3	Dec. 4	Dec. 6	Dec. 7	Dec. 8	Dec. 9	Average
RIO—							
Market N. 6 10 kilos	—	5 651	—	—	HOLLIDAY	—	—
	5.651	5 720	5.651	5.727		5.720	5.685
» N. 7	—	5.379	—	—		—	—
	5.379	5.447	5.379	5 440		5.447	5.413
» N. 8	—	5.107	—	—		—	—
	5.107	5 175	5.107	5.107		5 175	5.141
» N. 9	—	4.8 4	—	—		—	—
	4.834	4.902	4.834	4.902		4.902	4.868
SANTOS—							
Superior per 10 kilos...	5.500	5 500	5.500	5.500		5.600	5.520
Good Average.	3.600	3.800	3 800	3.800		3.900	3.820
N. YORK, per lb..							
Spot N. 7 ...... cent.	—	—	—	—	—	—	—
» » 8 ...... »	—	—	—	—	—	—	—
Options—							
» Dec..... »	663	666	650	668	671	676	665
» Mar..... »	667	667	660	673	675	678	671
» May ... »	675	675	670	680	685	689	679
HAVRE per 50 kilos							
Options.......... francs							
» Dec..... »	55.00	55 00	—	54.50	55 00	54.75	54.85
» Mar..... »	—	54.25	54.25	53 75	64 25	54.00	56 10
» May.... »	53 75	53.75	—	53 25	53.75	53.75	53.65
HAMBURG per 1/2 kilos							
Otipons........ pfennig							
» Dec .. »	—	—	—	—	—	—	—
» Mar... »	—	—	—	—	—	—	—
» May.. »	—	—	—	—	—	—	—
LONDON cwt							
Options........ shillings							
» Dec... »	40/6	40/6	40/6	40/6	—	40/6	4/60
» Mar... »	—	—	—	—	—	—	
» May... »	40,6	39/9	40/6	40/6	—	40/6	40/4

MANIFESTS OF COFFEE.

RIO DE JANEIRO.

During the week ending December 9th. 1915.

Nov. 30—P. SATRUSTEGUI—Santos	Dias Garcia & Co	625	
Ditto—Teneriffe	J. A. Hardman	290	
Ditto— „	Castro Silva & Co	150	
Ditto—Corunna	Dias Garcia & Co	250	
Ditto—Gijon	Dias Garcia & Co	125	
Ditto— „	Pinto & Co	126	
Ditto—Bilbaó	Ricardo Peres	100	
Ditto—Vigo	Pestana & Co	50	1.625
Dec. 1—TUBANTIA—Amsterdam	Pinto & Co	510	
Ditto— „	M. da Costa Almeida	500	
Ditto— „	Ornstein & Co	500	
Ditto— „	Roberto Schoenn & Co.	250	
Ditto— „	Castro Silva & Co	250	2,010
—SOUTHPORT—Marseilles	Louis Boher & Co	10,000	
Ditto— „	Pinheiro & Ladeira	2,250	
Ditto— „	Coop. M. Geraes	2,000	
Ditto— „	Galerno Gomes & Co	1,475	
Ditto— „	Pinto & Co	1,125	
Ditto— „	Karl Valais	1,000	
Ditto— „	Jessouroun Irmaos	800	
Ditto— „	Pierre Pradez	500	
Ditto— „	Castro Silva & Co	250	
Ditto—Oran	Pinto & Co	2,125	
Ditto— „	Hard, Rand & Co	1,500	
Ditto— „	McKinley & Co	250	
Ditto— „	Castro Silva & Co	125	
Ditto— „	Pierre Pradez	125	
Ditto—Algiers	Castro Silva & Co	1,000	
Ditto— „	Pinto & Co	500	
Ditto— „	McKinley & Co	375	
Ditto— „	Norton Megaw & Co.	125	
Ditto—Gibraltar	Louis Boher & Co	1,000	
Ditto— „	Norton Megaw & Co	625	
Ditto— „	McKinley & Co	125	
Ditto—Mostaganem	Pierre Pradez	250	
Ditto— „	McKinley & Co	250	
Ditto— „	Castro Silva & Co	125	
Ditto— „	Pinto & Co	125	
Ditto—Tunis	McKinley & Co	500	
Ditto—	Pinto & Co	125	
Ditto—Philippeville	Pinto & Co	500	

Ditto—Palermo	Pinto & Co	500	
Ditto—Alexandria	Galerno Gomes & Co.	500	
Ditto—Bougie	Pinto & Co	125	
Ditto— „	Norton Megaw & Co	125	
Ditto—Tangiers	Castro Silva & Co	125	
Ditto—Casa Blanca	Castro Silva & Co	125	
Ditto—Chypre	Pinto & Co	125	
Ditto—Las Palmas	Pinheiro & Ladeira	25	30,800
—ST. CROIX—Buenos Aires	Theodor Wille & Co.	1,200	
Ditto— „	Dias Garcia & Co	500	
Ditto— „	Ornstein & Co	350	2,050
	Total overseas	—	34,860

COASTWISE.

30—PIRANGY—Pará	Hard, Rand & Co	330	
Ditto— „	Stolle Emerson & Co.	250	
Ditto—Maranhão	Zenha Ramos & Co	20	600
—PARA—Manáos	Ornstein & Co	665	
Ditto— „	Eugen Urban & Co	230	
Ditto— „	Theodor Wille & Co.	240	
Ditto— „	Sequeira & Co	60	
Ditto—Pará	Theodor Wille & Co.	335	
Ditto— „	Ornstein & Co	260	
Ditto— „	Fco. Satamini	170	
Ditto—Maranhão	Eugen Urban & Co	515	
Ditto— „	Theodor Wille & Co.	45	
Ditto— „	Ornstein & Co	10	
Ditto—Ceará	Theodor Wille & Co	180	
Ditto— „	Ornstein & Co	120	
Ditto—Pernambuco	Ornstein & Co	300	
Ditto—Maceió	Theodor Wille & Co.	30	
Ditto— „	Ornstein & Co	22	
Ditto— „	Eugen Urban & Co	20	
Ditto—Natal	Ornstein & Co	30	3,292
	Total coastwise	—	3.892

SANTOS

During the week ending December 9th, 1915.

1—REGINA ELENA—Genoa	Stolle Emerson & Co.	2,750	
Ditto— „	S. A. Martinelli	2,600	
Ditto— „	Levy & Co	1,000	
Ditto— „	Belli & Co	673	
Ditto— „	J. de Almeida Cardin	536	
Ditto— „	F. Macchiorlatti	125	
Ditto— „	G. Tomaselli & Co	10	
Ditto— „	Refinetti	1	
Ditto— „	Americo Martins	1	
Ditto— „	Picone & Co	1	
Ditto—Naples	Cia. Paulista A. Geraes	25	
Ditto— „	F. Macchiorlatti	16	
Ditto—Consumption	Sundry	2	7,710
3—VAUBAN—B. Aires	Stolle Emerson & Co.	—	100
4—NOLOGDA—New York	Hard, Rand & Co	85,250	
Ditto— „	Nauman Gepp & Co.	13,250	
Ditto— „	Stolle Emerson & Co.	12,500	
Ditto— „	J. Aron & Co	2,500	
Ditto— „	Santos Coffee Co	2,000	
Ditto— „	Ed. Johnston & Co.	7,030	
Ditto— „	Leon Israel & Bros.	500	123,000
—TOCANTINS—New Orleans	J. Aron & Co	4,000	
Ditto— „	Nioac & Co	3,000	
Ditto— „	Nauman Gepp & Co.	2,950	
Ditto— „	Theodor Wille & Co.	2,750	
Ditto— „	Stolle Emerson & Co.	2,500	
Ditto— „	R. Alves Toledo & Co.	2,250	
Ditto— „	Raphael Sampaio & Co.	2,000	
Ditto— „	Arbuckle & Co	1,985	
Ditto— „	Santos Coffee Co	1,078	
Ditto— „	Hard, Rand & Co	1,000	
Ditto— „	Société F. Bresilienne.	507	
Ditto— „	M. Wright & Co	500	
Ditto— „	Prado Ferreira & Co	500	
Ditto— „	Leon Israel & Bros.	250	
Ditto— „	J. Aron & Co	2,500	
Ditto— „	Société F. Bresilienne.	2,000	
Ditto— „	Raphael Sampaio & Co	1,750	
Ditto— „	G. Trinks & Co	1,500	
Ditto— „	Theodor Wille & Co.	250	
Ditto— „	J. B. Pimentel & Co.	1	33,271
—MARGARET—Stockholm	Nauman Gepp & Co.	1,500	
Ditto— „	Whitaker Brotero & C.	1,500	
Ditto— „	Eugen Urban & Co	1,000	
Ditto— „	Cia. Prado Chaves	1,000	
Ditto— „	M. Wright & Co	1,000	
Ditto— „	Hard, Rand & Co	1,000	
Ditto— „	Leon Israel & Bros.	1,000	
Ditto— „	Ed. Johnston & Co	500	
Ditto— „	E. Whitaker & Co	500	
Ditto— „	Société F. Bresilienne.	500	
Ditto— „	Diebold & Co	500	
Ditto— „	J. Aron & Co	500	
Ditto— „	Leme Ferreira & Co.	500	
Ditto— „	R. Alves Toledo & Co.	500	
Ditto—Malmo	Ed. Johnston & Co	500	
Ditto— „	Eugen Urban & Co	500	
Ditto „	Malta & Co	500	
Ditto— „	Nioac & Co	500	
Ditto— „	L. F. do Amaral	500	
Ditto—Gothemburg	Ed. Whitaker & Co	500	
Ditto „	Levy & Co	250	
Ditto—Christiania	Ed. Johnston & Co	500	
Ditto— „	Levy & Co	250	15,500
4—ASIATIC PRINCE—New York	M. Wright & Co	4,000	
Ditto— „	Leon Israel & Bros	1,000	
Ditto— „	Joao Osorio	1,000	
Ditto— „	Prado Ferreira & Co	500	
Ditto— „	Hard, Rand & Co	250	
Ditto— „	Raphael Sampaio & C.	250	
Ditto— „	Stolle Emerson & Co.	125	7,125
—C. OF SEVILLE—S. Francisco	Nauman Gepp & Co.	8,500	
Ditto— „	Ed. Johnston & Co	4,500	
Ditto— „	Hard, Rand & Co	900	
Ditto— „	Société F. Bresilienne.	500	
Ditto—San Pedro	Levy & Co	1,200	
Ditto— „	Nauman Gepp & Co.	1,000	
Ditto—Vancouver	Ed. Johnston & Co	550	
Dito—Consumption	Ed. Johnston & Co	2	17,152
6—CHAMPLAIN—Havre	Cia. Prado Chaves	7,250	
Ditto— „	S. Sucreries Bresilienne	2,892	
Ditto— „	Société F. Bresilienne.	2,547	
Ditto— „	Nioac & Co	2,000	
Ditto— „	Raphael Sampaio & Co	2,000	
Ditto— „	Joao Osorio	1,000	
Ditto— „	Picone & Co	500	
Ditto— „	Ed. Johnston & Co	500	
Ditto— „	A. Freire & Co	8	
Ditto— „	A. Baeta Neves	5	
Ditto—Consumption	D. Fl. Martins	1	18,703
—R. DE LA PLATA—Christiania	Nauman Gepp & Co.	2,500	
Ditto— „	M. Wright & Co	2,000	
Ditto— „	Leite & Santos	2,000	
Ditto— „	Cia. Prado Chaves	1,750	
Ditto— „	Hard, Rand & Co	1,250	
Ditto— „	Santos Coffe Co	1,000	
Ditto— „	G. Trinks & Co	1,000	
Ditto— „	R. Alves Toledo & Co.	1,000	
Ditto— „	J. Aron & Co	500	
Ditto— „	J. Osorio	500	
Ditto— „	Ed. Johnston & Co	625	
Ditto— „	Société F. Bresilienne.	250	
Ditto—Trondhjem	Ed. Johnston & Co	1,375	
Ditto „	Société F. Bresilienne.	1,250	
Ditto „	Nossack & Co	1,000	
Ditto „	Santos Coffee Co	500	
Ditto „	M. Wright & Co	500	
Ditto „	Cia. Prado Chaves	250	
Ditto—Bergen	G. Trinks & Co	500	
Ditto „	Société F. Bresilienne.	250	
Ditto „	Eugen Urban & Co	250	
Ditto—Skien	Hard, Rand & Co	125	
Ditto—Dramen	Hard, Rand & Co	125	
Ditto— „	Sundry	14	20,514
—BORGSTEN—Christiania	R. Alves Toledo & Co.	4,000	
Ditto— „	Leite & Santos	3,375	
Ditto— „	Ed. Johnston & Co	3,000	
Ditto— „	Cia. Prado Chaves	2,000	
Ditto— „	Hard, Rand & Co	2,000	
Ditto— „	Santos Coffee Co	2,000	
Ditto— „	Levy & Co	1,500	
Ditto— „	Société F. Bresilienne.	1,000	
Ditto— „	M. Wright & Co	1,000	
Ditto— „	Whitaker Brotero & C.	1,250	
Ditto— „	Toledo Assumpcao	1,000	
Ditto „	Leon Israel & Bros	750	
Ditto— „	Nauman Gepp & Co.	625	
Ditto—Trondhjem	M. Wright & Co	1,500	
Ditto— „	Leme Ferreira & Co	1,500	
Ditto— „	Prado Ferreira & Co	1,125	
Ditto— „	Ed. Johnston & Co	1,000	
Ditto— „	Nauman Gepp & Co.	625	
Ditto— „	Leon Israel & Bros.	250	
Ditto—Bergen	Leite & Santos	1,000	
Ditto— „	Hard, Rand & Co	1,000	
Ditto— „	Prade Ferreira & Co.	750	
Ditto „	Nauman Gepp & Co.	500	
Ditto— „	Levy & Co	250	
Ditto—Christiansund	G. Trinks & Co	625	
Ditto— „	Leite & Santos	125	
Ditto—Stavanger	Leite & Santos	500	
Ditto—Arendal	Nauman Gepp & Co.	250	
Ditto—Aalesund	Prado Ferreira & Co.	125	
Ditto— „	Sundry	3	34,628
—INF. ISABEL—B. Aires	Diebold & Co	125	
Ditto— „	Pupo & Filho	22	147
—SARGT ALBUQUERQUE—N. York	Leite & Santos	11,500	
Ditto— „	Prado Ferreira & Co.	6,250	
Ditto— „	Diebold & Co	4,000	
Ditto— „	Levy & Co	4,041	
Ditto— „	G. Trinks & Co	2,000	
Ditto— „	R. Alves Toledo & Co.	3,250	
Ditto— „	Leme Ferreira & Co.	250	
Ditto— „	Nioac & Co	250	
Ditto— „	Stolle Emerson & Co.	2,000	33,541
6—MOSKOW—Copenhagen	R. Alves Toledo & Co.	4,500	
Ditto— „	Hard, Rand & Co	4,125	
Ditto— „	M. Wright & Co	3,000	
Ditto— „	Eugen Urban & Co	2,375	
Ditto— „	Nauman Gepp & Co.	2,250	

Ditto— ,,	....	Ed. Johnston & Co ...	2,000	
Ditto— ,,	....	Cia. Prado Chaves	1,000	
Ditto— ,,	....	J. Aron & Co	1,000	
Ditto— ,,	....	E. Whitaker & Co	910	
Ditto— ,,	....	Prado Ferreira & Co...	500	
Ditto ,,	....	Leite & Santos	500	
Ditto— ,,	....	J. Anderson	1	
Ditto— ,,	....	Theodor Wille & Co......	1	22.162
8—ANGO—Havre	....	R. Alves Toledo & Co.	21,500	
Ditto ,,	....	Cia. Prado Chaves	20,000	
Ditto ,,	....	Nauman Gepp & Co...	10,000	
Ditto ,,	....	Nioac & Co	10,00	
Ditto ,,	....	Malta & Co	6,500	
Ditto ,,	....	Picone & Co	5,000	
Ditto ,,	....	M. Wright & Co	5,000	
Ditto ,,	....	Leite & Santos	3,000	
Ditto ,,	....	Levy & Co	2,000	
Ditto ,,	....	Ed. Johnston & Co	2,000	
Ditto ,,	....	Prado Ferreira & Co...	1,500	
Ditto ,,	....	Whitaker Brotero & Co	1,500	
Ditto ,,	....	Leme Ferreira & Co...	1,500	
Ditto ,,	....	A. Baccarat	1,000	
Ditto ,,	....	A. Falcao & Co	5	90.505
		Total overseas	—	424,058

SANTOS—COASTWISE.

7—ITASSUCE—Porto Alegre	V. Faria Junior	—	500

PER SHIPPERS.

Brailians	150,659
American	142,198
British	95,937
French	39,646
German and Austrian	20,050
Italian	10,428
Overseas	458,918
Coastwise	4,392
Total	463,310

PER DESTINATIONS.

United States	214,736
France and Colonies	137,635
Norway	55,892
Denmark	22,162
Sweden	14,750
Italy	7,710
South America	2,150
Holland	2,010
Gt. Britain & Colonies	1,875
Overseas	458,918
Coastwise	4,392
Total	463,310

PER SHIPPING COMPANIES.

xRussian	123,000
French	109,208
Brazilian	66,812
Norwegian	55,142
British	55,177
Danish	24,212
Swedish	15,500
Italian	7,857
Dutch	2,010
Overseas	458,918
Coastwise	4,392
Total	463,310

x—s.s. Nologda chartered by Soc. A. Martinelli, Santos.

PERNAMBUCO MARKET REPORT.

3rd December, 1915.

Sugar. The November entry comes to 261,470 bags compared with 306,479 bags for same month last year and total for crop is now 378,736 bags against 556,285 bags for previous crop to same date or a shortage to date of 177,549 bags. The receipts from usinas only are averaging now 6 to 7,000 bags a day and this quality has been going out pretty freely during the week to Rio Grande ports, but fresh orders are said to be few and far between, which at present prices is hardly to be wondered at and under these circumstances there has been less animation in the market during the past two days. Although prices are unchanged, all the entries have not found buyers, but planters have turned away indignantly from lower offers and put their stuff in store and if buyers continue to hold off buying there may be contraction in the entry of these qualities next week. To-day's market prices were as follows: Usinas 9$600 to 10$000 a granel, buyers holding off; white crystals 8$600 to 9$000 with a fair demand; ordinary whites, 8$800 to 9$200 which shows a drop of 600 reis from the price paid three days ago; somenos 7$000 to 7$500; bruto secco, 4$400 to 5$100, at which good samples were cleared. These prices are a granel to planters.

Dealers quotations for all qualities to-day are as under bagged:

Usinas	9$500 to 10$200	per 15 kilos on shore
Crystal (white) ...	8$600 to 9$200	,, ,, ,,
Ditto (yellow)	6$800 to 7$200	,, ,, ,,
Whites 3a boa	8$800 to 9$400	,, ,, ,,
Somenos	6$800 to 7$500	,, ,, ,,
Bruto secco	4$800 to 5$200	,, ,, ,,

The factories are still paying 19$000 per ton for canes for grinding purposes.

Cotton. The receipts in November came to 24,420 bags compared with 18,381 same month last year and the total for crop was 63,148 bags against 39,952 bags last crop to same date. After my last 22$000 continued to be the price offered until the 30th, when finding no sellers one buyer offered 23$000, but only about 200 bags were secured. Later in the day buyers once more reduced their price to 22$000, but no sellers have been found at this figure and for past three days 23$000 has again been paid, but only small lots of 100 or 200 bags are forthcoming and the result is that to-day there are far more buyers than sellers at 23$000 and market is very firm with decided upward tendency and as time goes on receipts are bound to become lighter as weather continues very dry and with the exception of a few light showers at end of last week, there have been no rains and the Sertão is still reported as dry, with no signs so far of the much coveted rains. In the Matta zone the plants are in poor condition, stunted and dry and the fruit pods which open appear only about half the normal size.

Coffee market easier and only 7$500 offered, but sellers do not respond.

Cereals. Steady and in fair request. Beans 22$000 to 23$000 per bag of 60 kilos for home grown and 18$000 for imported from south. Milho 9$500 to 9$600 per bag of 60 kilos. Farinha 13$500 to 13$800 per bag of 50 kilos for imports from Rio Grande and 28$000 to 30$000 per bag of 100 kilos for home grown.

Exchange has oscillated during the week, but seems a trifle steadie rduring past two days. On 27th collections were made at 12d. and banks then offered 12 1-8d. for business, but weakened and at close they put down rate to 12d. On 29th, collections at 12d. with 1-16 better for business, but later on rate fell away once more to 12d. On 30th, 11 7-8d. collections, with 12 1-16 for business, closing steady thereat. Next day same rate prevailed and past two days market has been 1-16 better at 12d. to 12 1-16d., but there is very little doing. In private small transactions are reported at 12 1-4d. and 12 5-16d., but the quantity of bills offered is very small.

Railway News

THE LEOPOLDINA RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS

Year	Week Ended.	Receipts for Week			Total from 7th Jan.
		Currency.	Exch.	Sterling.	
1915	4th. Dec.	569:000$	12 1/8	£ 28,746	£ 1,437,085
1914	5th. Dec.	499:000$	13 19/32	£ 28,264	£ 1,423,915
Increase....	—	70:000$	—	£ 482	—
Decrease....	—	—	1 15/32	—	£ 13,170

S. Paulo Railway Traffic Returns for the months of October:—

	1914	1915
Kilometres in traffic	139	139
Up traffic in October, in tons	86,771	90,858
Ditto from 1st January	1,143,552	891,924
Down traffic during October, in tons...	81,395	103,510
Ditto from 1st January	366,838	618,152
Passengers carried during October ...	208,339	193,806
Ditto from 1st January	2,313,707	1,982,566
Inter-stational traffic, October, tons.	36,906	40,753

RUBBER

Weekly Cable. Hard Fine closed on Friday, 3rd, at London unaltered at 3s. per lb., but Sertão Fina at Pará 100 reis up at 4$900 per kilo.

Taxation of Rubber in the State of Amazonas on the basis of 4$000 per kilo:

State export duty, 15 per cent. ....Rs.	$600
Municipal tax, 2.26 less 5 pe rcent. hare	$095.15
Supertax, 100 reis	$105.26
Total, 20 per cent. ....Rs.	$800.41

No wonder that smuggling over the boundaries of Amazonia is rampant with differences of 11.11 per cent. between Amazon and Acre duties, 42.85 per cent. between Amazonas and Peru and 400 per cent. be...tween Amazonas and Bolivia. Indeed, it is wonderful why it is not all smuggled and Amazonas left without any revenue at all!

But some people never learn wisdom and by the budget law for 1916, taxation of rubber is to be positively raised to 920 reis per kilo and the percentage of value to 31 per cent., when taxation of rubber by Amazonas will compare with that of other origins as follows:—Acre, plus 27.7 per cent.; Matto Grosso, plus 64.28 per cent.; Peru, plus 228.57 per cent. and Bolivia plus 475 per cent.

Quem Jupiter vult perdere dementat prius.

Could not the French bankers or some one interested in the solvency of Amazonas point out that the best way to get their money might be to refrain from taxing the product on which coupons depend out of existence?

Ohliger & Co. An advertisement of this firm in the Manáos papers states that they have made arrangements to renew their business as exporters of rubber, suspended since the outbreak of the war and are now again in a position to undertake the purchase and sale of rubber as, likewise, that they are now acting as correspondents for the National Park Bank of New York.

It will be interesting to observe how this firm proposes to ship its rubber, as it is scarcely to be imagined that they will find great facilities with the Booth line and if restricted to one Lloyd Brasileiro steamer per month, would not seem likely to do much business!

SHIPPING

Engagements. The Royal Mail report 72,000 bags by s.s. Carmarthenshire, of which 1,000 for London and 31,000 for Havre, besides some 39,000 from Santos for Havre and London not yet complete and 11,200 bags of bran from Rio to London.

After the sailing of the s.s. Carmarthenshire rates for coffee will be as follows: — Havre, 140 frcs and 10 per cent.; Genoa, 180 and 10 per cent, 200 frcs. in full; London, 130s. and 5 per cent. cargo, 145s. and 5 per cent. mail; Liverpool, 130s. and 5 per cent.

Mr. Luiz Campos reports no fresh engagements whatsoever for Scandinavia nor for Italy. The Italian s.s. Lusiania left on Saturday, 11th, with 17,000 bags coffee for Genoa. Nothing doing direct with other ports of the Mediterranean.

—Royal Mail steamers now touch at La Palice once a month in lieu of Cherbourg, as formerly.

—Engagements for some 25,000 bags have been cancelled partly because some of the consignees are on the black list and partly because of difficulties as regards insurance and credits. Anyhow business for the time being with Scandinavia is paralysed. Five steamers arrived last week at Santos from Norway, Denmark and Sweden, but so far there are no enquiries.

—Three-quarters of the cargo of the s.s. Annie Johnson, which took 50,000 bags from Rio and Santos were discharged at a British port. Of the cargo of the s.s. Signa there is no advice and there are more steamers on the way. It is not only Germans but everyone is suffering from the inability to get answers to cables or to discover exactly what is the cause of the snag. Some believe it is a mere matter of insurance that will be soon smoothed away and others that the trouble is owing to the deliberate intention of the British Government to put a stop to indirect trading with the enemy, whilst others believe that the shipments to Scandinavia has been overdone.

—The s.s. Orange Prince, reported to have been sunk a fortnight ago by a German submarine in the Mediterranean, belonged to the Prince Line and was well known in the Brazil service. She is one of the oldest boats of the company and if fully insured at actual inflated prices, howsoever underwriters or the British war risk department may suffer. the company itself would come off pretty well, seeing that the insurance would cover about double her original cost.

Freight Markets. "Shipping Illustrated" of 6 Nov. reports the American market exceedingly strong, but chartering restricted by scarcity of boats. A number of sailers have been fixed to carry case oil and coal to Europe.

Representative fixtures: Br. s.s. Fenona, 2,802, N. York, Brazil and R. Plate trade, trip down, basis 20s., Nov.; s.s. Edward Pierce, 8,228, U.S. and Brazil trade, two round trips. p.t. Nov.

Sensational Rise in Rates for Brazil. The Brazilian market is steadily rising under a strong demand from wheat and flour shippers. We quote as follows:—B. A. to Antonina and Paranaguá, $4; to Rio Grande, Florianopolis and San Francisco, $4.50; to Pelotas and Rio de Janeiro, $5.50; to Santos, $7.50; to Porto Alegre, $8; with 50 cents extra for up-river loading. The rise in the Santos rate has been quite sensational.—"The Times of Argentina," 29th November.

End of the s.s. Dacia. The s.s. Dacia, renamed the Yser, was torpedoed and sunk by a German submarine last month off Algiers. The Dacia, which, it will be remembered, was purchased by a German-American from the Hamburg American Line, was seized by the French Government when attempting to carry a cargo of cotton to Germany.

Coal. Rightly judging that coal exports during the war will be a question chiefly of freight rates, the Pocahantas Coal Co. is adding rapidly to its fleet of steamers. One steamer of 5,450 gross tons was launched in November and will be followed by another in December. The Pocahantas Fuel Co. is likewise erecting a modern coal handling and storage plant at Portland, Mass., and a distributory wharf at Fall River, Mass. Most of the shipyards in the United States are now running full time, there being some 36 general cargo steamers, aggregating 175.000 tons and 22 bulk oil steamers, aggregating 223,000 tons more, under construction, making 400,000 additional tonnage for the American merchant marine that, according to American statistics, counted 6,410 vessels of 8,710,648 tonnage of vessels of 100 tons upwards at the end of 1914, inclusive of both lake and coasting.

Requisitioning British Shipping. What seems to have prevented the British Government so far from direct intervention with shipping is the difficulty of treating foreign owners in the same way as British and the fact that steamship profits are already taxed, but even such powerful reasons may not avert interference if it should be shown that prices of foodstuffs are unconsciably driven up by speculation in freight rates. A single instance is given of a steamer, lifting 8,000 tons, that at a reasonable estimate should have obtained £16,000 for the outward trip to Argentina which, as a fact, has obtained £36,000 for the homeward voyage or 200 per cent.

Neutral Ownership. A communication of the Press Association states: "While the flying of an enemy flag is a conclusive test of the enemy character of a vessel, a neutral flag is not deemed to be a conclusive test of her neutral ownership. The Prize Court will now be able to go behind the flag and to determine who are the actual owners of a particular vessel. The proved enemy interest in a vessel becomes liable to condemnation and accordingly may be realised. It seems that under the old rules where a part interest in a vessel was condemned the practice was to allow the neutral co-owners to buy from the Crown the condemned enemy interest, or, if the enemy interest exceeded 50 per cent., then to compensate the neutral for his or their share of the vessels. Whatever the practice may be to-day, abrogation of the flag test should work substantial benefit to British interest and add still further to the difficulties which hamper German trade."

The Greek Mercantile Marine, according to Lloyd's Register, counts 440 ocean-going steamers, with a tonnage of 900,000 tons. The bulk of them are engaged in local and coasting trade. The total value of the Greek mercantile marine is estimated at £6,800,000, in the working of which profits amounting to £3,000,000 is expected to be realised for 1915.

Vessels Detained in British Ports since last advice, 24 Sept.:

Annie Johnson, Swedish s.s., at London, left Rio on 30th Sept. with 34,500 bags coffee and 50,630 from Santos, of which 7,000 consigned by ostensibly German firms.

Estrella, Norwegian s.s, left Rio 19th Oct., with 15,000 bags coffee from Rio and 9,750 bags from Santos.

Einar Jarl, Norwegian s.s, left Rio 2nd Nov., with 19,000 bags coffee from Rio and 22,200 bags from Santos.

The "President Mitre." The tranquility in Government circles has been somewhat disturbed by a naval occurrence, viz., the capture by the British auxiliary cruiser Orama, which, though sailing under the Argentine flag, belongs to a German navigation company, the Hamburg South American, which was on its way from Buenos Aires to Patagonian ports. The Argentine Government had been notified by the British Foreign Office that an Order in Council had declared that Great Britain would no longer act in accordance with Artç 57 of the Declaration of London (which was not ratified either by Great Britain or by the Argntine Republic) and that it would revert to the old prize lew, whereby the character of a vessel and of its cargo were determined by the ownership thereof. By the treaty of 1825 between Great Britain and the Argentine Republ'c it was declared that for the Argentine nationality of a coasting ship to be established it was necessary that it should have been built in the Republic, that its coasting trade be exploited with Argentine capital and that its captain and three-fourths of its crew be Argentine. Not one of these conditions is fulfilled in the case of the Presidente Mitre. Of course, the Argentine Government has protested against the capture. The "Prensa," in its issue yesterday, published a bellicose article, declaring that Great Britain must restore the ship release the captured sailors, salute the Argentine flag and compensate the German shipping company, the passengers and the owners of the cargo for the losses sustained by the unlawful capture of the ship. It also holds out the threat of stopping the remittances to England of the dividends and interest on the British capital invested in this country! In consequence of the seizure of the Presidente Mitre, two other steamers of the German company will remain in Argentine ports and a third, the Cabo Corrientes, will stay at Montevideo.—"Buenos Aires Standard."

Transfer of Brazilian Shipping to Belligerents. A bill is awaiting the attention of Congress forbidding the sale and transfer of Brazilian shipping to foreign flags that merits the most serious consideration.

Just at present the conditions of international law as to the nationality of shipping are at sixes and sevens, some maintaining that, as stipulated in Art. 57 of the Declaration of London, the flag confers nationality, whilst others maintain that the Declaration of London being void, nationality should only be determined by the international practice that ruled previous to that Declaration: in other words, by the nationality of owners. It is on these latter lines that late seizures of vessels flying the American, Dutch and Argentine flags have been justified by the British authorities.

With respect to the s.s. Presidente Mitre, another difficulty arises in the interpretation of nationality of the vessel: as to whether nationalisation previous to the outbreak of war is not invalidated by German ownership though ostensibly covered by Argentine nationalisation. The fact that the crew of the Presidente Mitre has been released would seem to show that the British Government has accepted naturalisation previous to the declaration of war as far as the subjects of enemy countries are themselves concerned, and would logically lead to the conclusion that the vessel itself should be released if it can be proved that the Presidente Mitre has been effectually denaturalised in Germany and removed from the German registry.

Interpreted by the light of recent occurrences, the matter of sale and transfer of Brazilian vessels at the present juncture resolves itself into a matter, not so much of patriotism as of simple precaution, seeing that any transfer, to even neutral countries, is liable to be impugned by belligerents and give rise to disagreeable incidents with this country.

The sale of the s.s. Campista is a case in point. This vessel appears to have been sold to an Italian firm, who propose to form a Brazilian company and to work it and other vessels under the Brazilian flag, for trade with Italy.

It is, however, possible that the German or Austrian Government may likewise denounce Art. 57 of the Declaration of London and protest against the transfer of the Campista or any other ship to a concern in which belligerent capital is interested, and so expose this country to claims for damages at the close of the war.

So long as the war lasts the prudent course would be to not only prohibit sale of Brazilian vessels to foreigners, whatever their nationality, seeing that neutrals of to-day may become belligerents to-morrow, but that the Treasury and State Governments should refuse approval of the statutes of any association formed with the object of acquiring Brazilian vessels and working same under the Brazilian flag, in which any foreigners are interested.

The reported sale of the steamers of the Costeira Company to French interests is another and even more flagrant example of the risk entailed in transfer of Brazilian vessels to a belligerent in the actual state of international law on the subject and the claims for damages by Germany and Austria that such a transfer might give rise to.

The Costeira Company is owned almost wholly by British capital and its international position is practically identical with that of the coasting company that owned the Presidente Mitre, in which German capital is chiefly interested.

Besides both the S. João da Barra fleet, to which the Campista belongs, and the Costeira fleet are subventioned by the Brazilian Government in the interest sof coasting trade, already under grave disadvantages.

It is a fact that at present almost any old tub fetches fabulous prices and that the opportunity is, perhaps, unique for profitable liquidation of not over successful shipping concerns.

But the first duty of the Brazilian Government would seem to be to its own people and to ensure its sacrifices not being neutralised by commercial speculations. At the rate oversea tonnage is being monopolised by the Allies, there seems to be some risk of domestic tonnage proving insufficient for transport of even Brazilian coasting traffic, when coasting freight rates could not fail to respond to the general rise that would ensue.

In business, patriotism takes a back seat. But when freight rates have reached their climax, Brazilian owners may find reason to regret that in grasping at the shadow they lost the substance.

The following decrees, confirming the above conclusions as regards the embargo on transfer of national shipping was promulgated on 9th inst:—

1() Expropriation of vessels of the national mercantile marine is hereby declared to be a public necessity for the duration of the war.

(2) Expropriation shall be effected through the Procurador da Republica (Attorney General) and the Federal Courts of Justice. —(Signed) Wenceslau Braz Pereira Gomes, Carlos Maximiliano, Lauro Muller, Alexandrino de Alencar, Pandieá Callogeras, Tavares Lyra, Caetano de Faria , José Bezerra.

The grounds on which the Government found this resolution are:—

(1) The extraordinary demands on the coasting service that the wholesale exodus of the population from the drought-stricken regions of the North has created.

(2) The necessity of maintaining the strictest neutrality with regard to belligerents.

(3) The necessity of preventing the dissolution of the national mercantile marine as an axiliary to the Navy.

There can be no doubt as to the necessity of the measure, which, moreover, has been provided for by Art. 72 § 17 of the Constituion. It now remains to be seen how it will be put into effect and on what footing expropriation will be accomplished.

VESSELS ARRIVING AT THE PORT OR RIO DE JANEIRO

During the week ending December 9th, 1915.

Dec. 3.—RIO VERDE, British s.s, 2579 tons, from Norfolk
3.—DORA LISBOA, Norwegian barque, 1351 tons, from Pensacola
3.—MOSSORO, Brazilian s.s, 924 tons, from Santos
3.—VALENTIA, British s.s, 2111 tons, from S. Nicola
3.—BRAVO, Norwegian s.s, 930 tons, from Pernambuco
3.—ITAJUBA, Brazilian s.s, 958 tons, from Porto Alegre
4.—LEAO XIII, Spanish s.s, 2721 tons, from Bilboa
4.—DESEADO, British s.s, 7295 tons, from Liverpool
4.—IRIS, Brazilian s.s, 899 tons, from Montevideo
4.—ITAQUI, Brazilian s.s, 512 tons, from Camocim
4.—STRATHAIRLIE, British s.s, 2783 tons, from Coronel
4.—TEIXEIRINHA, Brazilian s.s, 257 tons, from S. J. da Barra
4.—TOCANTINS, Brazilian s.s, 2500 tons, from Santos
4.—A. PONTY, French s.s, 3564 tons, from Havre
5.—BAHIA, Brazilian s.s, 2084 tons, from Manáos
5.—URANO, Brazilian s.s, 141 tons, from Cabo Frio
5.—ITAUNA, Brazilian s.s, 401 tons, from Antonina
5.—S. J. DA BARRA, Brazilian s.s, 230 tons, from S. J. da Barra
5.—PURLEY, British s.s, 2834 tons, from Pacific port
5.—A. KERSAINT, French s.s, 3566 tons, from Havre
5.—CHAMPLAIN, French s.s, 4851 tons, from Santos
5.—ASIATIC PRINCE, British s.s, 1782 tons, from B. Aires
5.—RIO DE LA PLATA, Norwegian s.s, 1527 tons, from B. Aires
5.—ITAPUCA, Brazilian s.s, 978 tons, from Recife
6.—MURTINHO, Brazilian s.s, 511 tons, from Florianopolis
6—SALLUST, British s.s, 2308 tons, from Liverpool
6.—ROLF JARL, Norwegian s.s, 760 tons, from Barry Dock
6.—MAYRINK, Brazilian s.s, 357 tons, from Laguna
6.—SEQUANA, French s.s, 2497 tons, from Bordeaux
6.—LOMPOO, British s.s, 4513 tons, from Liverpool
7.—AVESTA, Swedish s.s, 733 tons, from Gothemburg
7.—RAMONA, Brazilian lugger, 400 tons, from Itajahy
7.—TORRIDGE, British s.s, 3136 tons, from S. Francisco
7.—MOSKOW, Danish s.s, 1490 tons, from Copenhagen
8.—ZAALAND, Dutch s.s, 2465 tons, from Amsterdam
8.—LENCADIA, British s.s, 2376 tons, from Rosario
8.—LUISIANIA, Italian s.s, 3061 tons, from B. Aires
8—PHILADELPHIA, Brazilian s.s, 359 tons, from Bahia
8—AVON, British s.s 5883 tons, from Buenos Aires
9.—AMAZON, British s.s, 3011 tons, from Liverpool
9—GOOILAND, Dutch s.s, 2486 tons, from Amtserdam
9—MAGALLAN, French s.s, 2976 tons, from Iquiqui
9—ANGO, French s.s, 4630 tons, from Santos
9.—ITANEMA, Brazilian s.s, 553 tons, from Porto Alegre
9.—HAITI, French s.s, 3799 tons, from Buenos Aires
9.—ASSU, Brazilian s.s, 925 tons, from Porto Alegre
9.—ITAPUHY, Brazilian s.s, 1230 tons, from Porto Alegre

VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO

During the week ending December 9th, 1915.

Dec. 3.—RIO DE JANEIRO, Brazilian s.s, 2213 tons, for Santos
3.—JACUHY, Brazilian s.s, 1182 tons, for Porto Alegre
3.—BRITISH PRINCE, British s.s, 3771 tons, for London
3.—ARASSUAHY, Brazilian s.s, 650 tons, for Victoria
3.—VALENTIA, British s.s, 2111 tons, for Nantes
4.—LEAO XIII, Spanish s.s, 2721 tons, for B. Aires
4.—ITAPURA, Brazilian s.s, 1179 tons, for Pernambuco
4.—DRAMMENSFJORD, Norwegian s.s, 2755 tons, for Baltimore
4.—KRONP. G. ADOLPH, Swedish s.s, 2232 tons, for Gothemburg
4.—BOLLASTA, Norwegian s.s, 999 tons, for Christiania
5.—DESEADO, British s.s, 7298 tons, for Buenos Aires
5.—ITAPURA, Brazilian s.s, 180 tons, for Porto Alegre
5.—ITASSUCE, Brazilian s.s, 1175 tons, for Porto Alegre
5.—GURUPY, Brazilian s.s, 1221 tons, for Manáos
5.—CORCOVADO, Brazilian s.s, 1916 tons, for Christiania
5.—COTOVIA, British s.s, 2521 tons, for Bahia Blanc a
5.—STRATHARLIE, British s.s. 2783 tons, for Sta. Lucia
5.—ITAITUBA, Brazilian s.s, 717 tons, for Porto Alegre
5.—SERGIPE, Brazilian s.s, 990 tons, for Pará
6.—EASTVILLE, British s.s, 2306 tons, for S. Vicente
6.—URANO, Brazilian s.s, 141 tons, for Cabo Frio
7.—ITAJUBA, Brazilian s.s, 958 tons, for Natal
7.—SEQUANA, French s.s, 3497 tons, for Buenos Aires
7.—ITAUNA, Brazilian s.s, 401 tons, for Antonina
7.—A. KERSAINT, French s.s, 3566 tons, for Buenos Aires
7.—ASIATIC PRINCE, British s.s, 1792 tons, for New York
7.—A. PONTY, French s.s, 2564 tons, for Santos
8.—MANTIQUEIRA, Brazilian s.s, 783 tons, for Amarraçao
8.—TORRIDGE, British s.s, 3136 tons, for Las Palmas
8.—RONCAGUA, Chilean transport, 3801 tons, for Montevideo
8.—TEIXEIRINHA, Brazilian s.s, 257 tons, for S. J. da Barra
8.—RIO DE LA PLATA, Norwegian s.s, 1527 tons, for Bergen
8.—AVON, British s.s, 6838 tons, for Liverpool
9.—ITAPUCA, Brazilian s.s, 978 tons, for Porto Alegre
9.—ARAGON, British s.s, 6038 tons, for Buenos Aires
9.—TOCANTINS, Brazilian s.s, 2500 tons, for New York
9.—SALLUST, British s.s, 2308 tons, for Buenos Aires
9.—ITAQUI, Brazilian s.s, 512 tons, for Porto Alegre
9.—MAGELLAN, French s.s, 2957 tons, for S. Vicente
9.—IRIS, Brazilian s.s, 899 tons ,for Manáos
9.—LUCADIA, British s.s, 2376 tons, for La Pallice
9.—HAITI, French s.s, 3799 tons, for Bordeaux

VESSELS ARRIVING AT THE PORT OF SANTOS

During the week ending December 9th, 1915.

Dec 2.—GARIBALDI, Italian s.s, 3108 tons, from Genoa
3.—ITAUNA, Brazilian s.s, 403 tons, from Antonina
3.—ITAPEMA, Brazilian s.s, 825 tons, from Rio
3.—CROWN OF SEVILLE, British s.s, 3074 tons, from London
3.—VAUBAN, British s.s, 6699 tons, from New York
3.—SATURNO, Brazilian s.s, 515 tons, from Rio
3.—MURTINHO, Brazilian s.s, 394 tons, from Florianopolis
4.—RIO DE JANEIRO, Brazilian s.s, 1387 tons, from New York
4.—LEALTA, Italian s.s, 2560 tons, from Genoa
4.—CARMARTHENSHIRE, British s.s, 4976 tons, from London
4.—MAYRINK, Brazilian s.s, 234 tons, from Laguna
4.—IRIS, Brazilian s.s, 1239 tons, from Sierra Leonne
4—ESPADARTE, Brazilian yacht, 29 tons, from Tijucas
5.—INF. ISABEL, Spanish s.s, 7998 tons, from Barcelona
5.—LEAO XIII, Spanish s.s, 2720 tons, from Bilboa
5.—ITANEMA, Brazilian s.s, 558 tons from Porto Alegre
5.—JACUHY, Brazilian s.s, 654 tons, from Pernambuco
6.—ITASSUCE, Brazilian s.s, 926 tons, from Pernambuco
6.—CORCOVADO, Brazilian s.s, 925 tons, from Rio
6.—DESEADO, British s.s, 7795 tons, from Liverpool
6.—K. VICTORIA Swedish s.s, 2160 tons, from Buenos Aires
6.—LUIZIANA, Italian s.s, 3061 tons, from Buenos Aires

VESSELS SAILING FROM THE PORT OF SANTOS

During the week ending December 9th, 1915.

Dec 2.—MOSSORO, Brazilian s.s, 924 tons, for Manáos
2.—GARIBALDI, Italian s.s, 3108 tons, for Buenos Aires
3.—ITAPEMA, Brazilian s.s, 825 tons, for Porto Alegre
3.—ITAUNA, Brazilian s.s, 403 tons, for Rio
3.—VAUBAN, British s.s, 6699 tons, for Buenos Aires
3.—MARGARET, Swedish s.s, 2053 tons, for Stockholm
3.—VALOGDA, Russian s.s, 2960 tons, for New York
3.—SATURNO, Brazilian s.s, 515 tons, for Montevideo
3.—TOCANTINS, Brazilian s.s, 2500 tons, for New York
4.—CROWN OF SEVILLE, British s.s, 3074 tons, for Vancouver
4.—ASIATIC PRINCE, British s.s, 1792 tons, for New York
4.—MAYRINK, Brazilian s.s, 324 tons, for Rio
4.—MURTINHO, Brazilian s.s, 394 tons, for Rio
4.—CHAMPLAIN, French s.s, 4646 tons, for Havre
4.—BARGSTEN, Norwegian s.s, 998 tons, for Christiania
4.—RIO DE LA PLATA, Norwegian s.s, 1097 tons, for Christiania
5.—INF. ISABEL, Spanish s.s, 2398 tons, for Buenos Aires
5.—LEAO XIII Spanish s.s, 2720 tons, for Buenos Aires
6.—ITANEMA, Brazilian s.s, 558 tons, for Pernambuco
6.—ITASSUCE, Brazilian s.s, 925 tons, for Porto Alegre
6.—DESEADO, British s.s, 7795 tons, for Buenos Aires
6.—MOSKOW, Danish s.s, 1489 tons, for Copenhagen
6.—GLENAFFRIE, British s.s, 2657 tons, for Coronel