

Wileman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 2

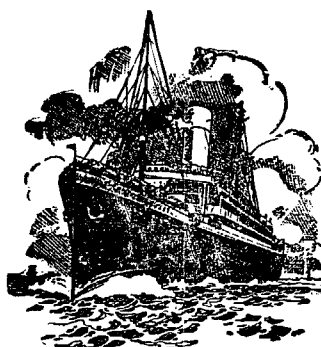
RIO DE JANEIRO, TUESDAY, January 25th, 1916

N. 4

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DESEADO.....	25th "	ARAGUAYA.....	29th "
AMAZON.....	1st March	DEMERARA.....	14th April
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- 7.45 Mixed—Macahé, Tuesdays, Thursdays and Saturdays.
- 9.40 Mixed—Friburgo and Cantagallo, daily.
- 15.35 Passeio—Friburgo, Saturdays and when announced.
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- 7.30 Express—Petropolis, Sundays only.
- 8.30 Express—Petropolis, daily.
- 10.25 Express—Petropolis, Sundays only.
- 13.35 Express—Petropolis, week days only.
- 15.50 Express—Petropolis, Entre Rios, daily.
- 16.20 Express—Petropolis, week days only.
- 17.50 Express—Petropolis, daily.
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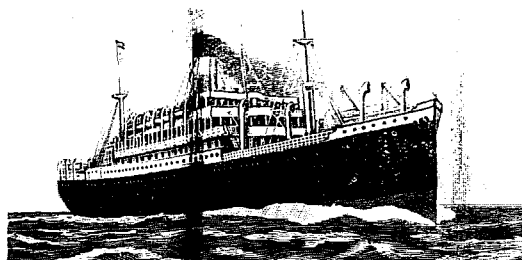
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Voltaire 7th, March
Vauban 21st. "



Vasari 4th April
Verdi 18th "
Byron 2nd May
Vestris 16th "
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Vauban 13th June

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All steamers fitted with Wireless Telegraphy, Laundry, Gymnasium etc.

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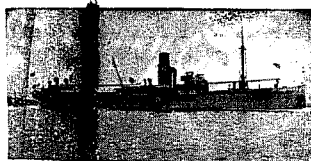
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RIO DE JANEIRO, TUESDAY, January 25th, 1916

No. 4

THE RIO DE JANEIRO FLOUR MILLS & CRANARIES LIMITED.

Telegrams: "EPIDERMIS" General Telephone: 1450 Norte Post Office Box
Sales departement 165 " No. 486
Flour Mills: Rua da Gambôa No. 1

DAILY PRODUCTION: 15.000 BAGS.

Cotton Mill - Rua da Gambôa No 2. -

450 LOOMS.

DAILY PRODUCTION 27.000 METRES.

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"SEMOLINA"

"BRAZILEIRA"

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HAVE BEEN AWARDED

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First Prize Brazil 1908

First Prize Brussels 1910

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AGENTS:—

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São Paulo—

Hildebrand & Co., Rua 15 de Novembro.

London—

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

MAIL FIXTURES

FOR EUROPE

- Jan. 26.—FRISIA. Holland Lloyd. for Amsterdam.
 Feb. 4.—DEMERARA. Royal Mail. for Liverpool.
 .. 10.—ORONSA. P.S.N.C. for Liverpool.
 .. 25.—DESEADO. Royal Mail. for Liverpool.

FOR RIVER PLATE AND PACIFIC.

- Feb. 13.—DESEADO. Royal Mail. for River Plate.
 .. 16.—AMAZON. Royal Mail. for River Plate.

FOR THE UNITED STATES.

- Feb. 8.—RYRON. Lampert and Helt. for New York.

NOTICE TO BRITISH SUBJECTS.

NEW PASSPORT REGULATIONS.

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

With regard to passports issued between the 5th of August, 1914, and 28th of February, 1915, it has been decided that they may be regarded as valid for 2 years from the date of issue and 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.

TO LET.

A comfortably furnished House at Copacabana, close to the beach. Apply by letter to Caixa 1521, Rio de Janeiro.

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.

NOTICE.

The Board of Trade will hold a British Trade Fair at the Victoria and Albert Museum in London, which will open on Feb. 21st and last for a period of 12 days. The Fair in question will be similar to the one held at the Agricultural Hall in May last and which obtained so conspicuous a success. Samples of British manufactured toys, china, fancy goods, earthenware goods, glass ware, printing and stationery will be exhibited and it will be sought to place contracts on the spot. Special facilities are provided for meetings between manufacturers and purchasers and for the conclusion of business.

Visitors to the Fair are requested to put themselves into communication with the Board of Trade, (British Industries Fair), 32 Cheapside, London, E.C., on their arrival in England.

F. E. Drummond-Hay,
Acting British Consul-General.

British Consulate General,
Rio de Janeiro, 30th December, 1915.

—Arrangements have been made by His Majesty's Government whereby, until March 1st, documents accompanying goods destined for Switzerland and consigned to the Société Suisse de Surveillance will be considered in order, provided that a declaration that the goods are consigned to that Society be made before shipment and referred to on the bill of lading and that the Society's acceptance certificates, which will be obtained by the ultimate consignee during the voyage, are produced at the port of disembarkation.

NOTES

Differential Duties. In lieu of 30 per cent. abatement indifferently, the rebate on imports from the United States stated in our last number should read:—

30 per cent. on wheat flour;

20 per cent. on condensed milk, rubber manufactures specified in Art. 1033 of the Tariff, clocks and colour (tintas) specified in Art. 173 of said Tariff, excepting writing ink; varnish, type writing machines, ice-chests, pianos, balances, windmills, cement, women's stays, dried fruit, school furniture and office desks.

Espirito Santo. The action of the President in refusing to endorse the candidature of Senador Bernardino Monteiro for the presidency of the State has brought its affairs into focus.

It appears that not only are three coupons of the State foreign debt in default, but no attempt has been made to come to terms with creditors. The President rightly judges that if he has no power to intervene officially in the affairs of an autonomous State, he can at least use his influence indirectly to prevent the dominating group from continuing to mismanage matters in future.

The State Government on its side pretends that the non-payment of the coupons is due not to lack of funds but a misunderstanding with creditors and that money enough to meet two of the coupons has been deposited with the Banque Française et Italienne. No reference, however, is made to the interest guaranteed to the Hypothecary Bank, a French concern, really the crux of the question.

The foreign funded debt of the State of Espirito Santo is stated to be 17,264,842 milreis gold or £1,924,430 and the internal funded debt (apólices) 6,808,200\$ currency. As to what the debt to the Hypothecary Bank may be we have no information, but the chief charge against the actual administration seems to be that the resources of the Bank have been wasted and misapplied, mostly in extravagant loans to friends and hangers-on of the actual and prospective administrations.

Years ago, in the time of Campos Salles, the Federal Government had similar troubles with Espirito Santo and execution *vi et armis* by the French Government was only prevented by the Union making itself responsible for payment.

Now it is only a question of getting the Espirito Santo Government and its creditors to arrange the best terms possible, as other much more important States, like Minas, have done already.

If the Hypothecary Bank is the hitch, that is no reason why the holders of Espirito Santo coupons should be kept out of their money, nor, as far as we can see, for interference of the Federal Power until ordinary resources of justice are exhausted.

The foreign loan, we believe, is secured by the general revenue of the State and by export duties. In default of a compromise, the revenues could be attached and applied by a receiver to payment of coupons. It would take some time, but as the ultimate appeal would be to the Supreme Court, it is the Federal and not State authorities in whose hands ultimate decision would lie. Unable to govern without revenues, the State Government would be obliged to come to terms not only with their creditors but with the Federal Power.

A Loan has been arranged by the Banco Hypothecario de S. Paulo with the Bank of Brazil for Rs. 10,000,000\$, it is said on account of the issue of Rs. 150,000,000\$ in aid of agriculture authorised by Congress. This loan, it is said, will be shortly followed by another to same value.

Emigration from Europe may be said to have stopped. In 1913 the number of arrivals in the United States was 1,362,695 and in 1915 only 116,242. Arrivals in the States are now some 2,000 per week, which would bring the total up to about 100,000 for the year. Not only are the nations at war holding their able-bodied men, but neutrals, like Spain and Portugal, prevent them from leaving

More Smuggling! The Department of Agriculture, of course, had officially nothing to do with the attempt to smuggle rubber into Germany, via Holland, in the guise of "official publications," but unless precautions are taken there seems every likelihood of the scandal being repeated, seeing that a lot of *manicoba* and *mangabeira* rubber samples belonging to that Department were but lately sold by auction in the original cases in which they had been returned from the London or some other exhibition, bearing the address of that Department, at the remarkable price of 6\$000 per kilo! The buyer was a German!

The Secretary of the Brazilian Chamber of Commerce at Hamburg explains the late attempt at contraband as follows:—"The captain of the s.s. Tubantia having offered to receive publications of the Ministry of Agriculture for transport, was advised that two cases would be sent. In place of two, however, three were sent—to the office of Theodor Wille. The cases sent by the Department bore no marks but were stored alongside the other containing 100 kilos of rubber to be forwarded to a museum at Amsterdam! When the cases were shipped, an employee of Theodor Wille and Co. most innocently, of course, mixed them up and forwarded rubber in place of "publications." *Vailla tout!*

A New Peril. The Yellow and German perils being exhausted, the London correspondent of the "Correio da Manhã" has evolved from his inner conscience a brand new one to frighten Brazilian children. Should the British be worsted in Egypt and driven out of India, as M. Amaral seemingly expects, they would, he imagines, turn their attention to this hemisphere and build up a fresh empire in South America!

Correspondents, we suppose, must justify their existence, but their lucubrations should, at least, have the merit of plausibility.

If there is one thing the war has brought into relief it is the solidarity of the sentiments of English-speaking people, inclusive of Americans. Up to now the British fleet has been the effective guarantee of the Monroe doctrine, the bulwark of South American independence; nor is it likely that anything would be permitted to upset the tacit and happy understanding at which the English speaking peoples have arrived and the maintenance of the Monroe Doctrine itself depends.

The best proof of the contempt in which the intrigues of the pro-German press in this country are held in British official circles is the fact that Mr. Amaral's correspondence passed the censor!

But, innocuous as it appears to us, by repetition Brazilians might possibly be brought to believe that the friendly Power that 'til now aided their development and preserved their country from German invasion is ready to turn and rend them on the slightest provocation!

If with a hundred years and more occupation we cannot hold India, how in the name of wonder does M. Amaral imagine that Great Britain has any chance of building up or holding a new empire in South America, even if the United States consented?

The real peril for South America lies not in unprovoked aggression by any outside power whatsoever, but in the misgovernment that might be invoked in justification!

Exchequer Bonds. The youth of the British community in this country has nobly responded to the call of country. It now remains for those who cannot bear arms to do what they can to help in other ways, the most effective of which is to subscribe to the British Exchequer Five per Cent. Bonds now being issued at par, and for which all British banks in this country are ready to receive applications.

On an after the 10th of January these Exchequer Bonds will be available to the amount of £5, £20, £50 and £100 or in multiples of these figures. The interest is payable from the date of subscription to the first of June and thereafter half-yearly. The interest is very high considering the excellence of the security.

All these favourable conditions make for an exceedingly remunerative investment, but apart from that is the more important aspect, namely, the patriotic assistance all of us can render to the British Government and to her Allies.

When the history of the war is published the financial assis-

tance afforded by the British Empire to her Allies will be, probably, one of the brightest and most amazing chapters. Let each and everyone of us prove by the possession of British Government Bonds, to however small an amount, that we have been instrumental in furthering the cause for which our husbands, sons and brothers are offering their lives. Each individual's financial assistance will most surely help to shorten the duration of the war, thus helping to restore, more quickly, to their homes the brave fellows who are fighting for Empire we all honour so truly and love so well. Deeds not words.

All information re British Government Five per Cent. Exchequer Bonds will be gladly furnished at any of the following banks at their head offices or branches.

The London and River Plate Bank.
The British Bank of South America.
The London and Brazilian Bank.

The German way and Our's of financing the war differ in so far as they prefer to throw the burden on posterity, whereas we, as far as we can, pay our way as we go.

So far Germany has not raised a pfennig by taxation, whilst England in one way and another has levied taxes that, when fully operative, will yield £175,000,000 per annum.

Germany has been providing for the cost of the war entirely out of capital. England has met not only the interest on her war loans, but part of her naval and military operations out of revenue. The interest on British borrowings to date is £61,200,000 per annum, or less than what we raise by extra taxation.

The annual charge on Germany's debt is £75,000,000 for which there has been so far no provision!

German credits will be exhausted by March, when interest charges will amount to £100,000,000 per annum. To meet it taxation will have to be doubled, but German tariffs before the war were almost prohibitive and to raise them would cripple the ability of the country to compete in the world's industrial markets.

Interest charges are amounting up at an alarming rate and if they are to be met, a crushing burden of taxation or default is inevitable. It is for the German people to decide which of the two evils they prefer!

Meanwhile the best comment on German and British methods is the course of exchange. Whilst New York exchange on Berlin is over 20 per cent. discount, British is almost at par. When Germany invaded Serbia exchange stood at 84, when Bulgaria declared war at 82, and now the Serbian campaign has ended at 80. The more Germany wins, the worse she is off!

Peace. No doubt Germans are longing for peace, but on our side, at least, there is and can be no alternative but to fight the fight out to the bitter end and make it impossible for Germany to renew the struggle at her convenience.

A few weeks ago we were disturbed by a cable that greatly fluttered local German doves, to the effect that the British Government was not unwilling to contemplate peace proposals, as, in fact, it always was! But it must be a peace on ours and not on German terms: peace conclusive and durable!

"Peace, victorious peace," as Lord Derby lately said, "is coming earlier than some people think, though not as early as all hope," because until Germany has accepted the cardinal feature of the Allies' terms—full reparation to invaded countries—no peace is possible or desirable!

Nothing that Germany can do on land will open the seas to her commerce or destroy the superiority of our fleet; not even a threat to British power in the East.

We have no cause yet for jubilation and may have further failures and disasters to lament, but Germany is visibly weakening, militarily, economically and financially and all we have to do is, as our soldiers have it, "to stick it."

The telegram referred to, evidently intended to take the wind

out of Bethmann Holweg's declaration in the Reichstag, is explained in the subjoined debate on 9th December in Parliament:—

Mr. Snowden asked the Prime Minister if he would give an undertaking that no proposals made through neutrals or by any belligerent for negotiations based upon the evacuation of conquered territory shall be rejected by the Government without the knowledge of Parliament.

Mr. Asquith: As the hon. member is aware, the Governments of France, Russia, Japan, Italy and Great Britain have mutually agreed not to conclude peace separately during the present war. If proposals of a serious character for a general peace are put forward either directly or through a neutral power by the enemy Governments, they will be first discussed by the Allied Government; and till this contingency arises I cannot give any other pledge. Should proposals of peace be put forward it would be the desire of His Majesty's Government to take Parliament into its confidence at the earliest possible moment.

On the strength of this cable Germans here were much elated and began to make contracts for delivery of German products and manufactures, just as in their eager manner they last year painted up their interned shipping on the strength of the Kaiser's promise that the war would be over in October. If Germans look to any desire on our side for peace they will be once more disappointed. There may be talk of peace in some papers like the "Economist," who look only to material advantage, but in the heart of the British people the determination to conquer is unquenched and any Government that even hinted at peace before victory was accomplished would receive short shift at the hands of the British people. For what are our own sufferings compared with what France, Russia, Belgium, Serbia and Montenegro have undergone at the hands of the enemy to even dream of slackening until they have been fully required!

Reprisals. There is no more certain way of turning mistrust into hostility than indulging in reprisals.

As a reprisal for the attacks on defenceless vessels by German submarines, Winston Churchill devised special treatment of submarine prisoners: the German Government retaliated on British military prisoners and had we not given way it is possible that from one step to another the point might have been reached when no prisoners would have been taken and no quarter allowed.

And so with the mails: Great Britain seized Swedish mails, not without provocation, seeing that rubber and other contraband was being smuggled into Germany through the post, and Sweden retorts by seizing British and Russian mails and prohibiting export of woodpulp to England. Should England retort by prohibiting bunkering of Swedish steamers in British ports, most of the Swedish overseas trade might be held up and the maximum inconvenience inflicted on the commerce of that country.

Years ago questions of search lead to war between England and America and unless reprisals are stopped, Swedish sympathies, not very strong, will certainly be alienated, if not worse.

When Swedish mercantile vessels are in British waters, they are, like every other nationality's, under British jurisdiction and ruled by British law. If the law permits British correspondence to be censored, Swedish once under British jurisdiction could fare no better and the British have every right to open and retain suspicious correspondence so long as entry was voluntary.

Outside of British jurisdiction no such rights could be exercised and if to realise it Swedish vessels were forced from their proper course and taken into British ports, it was an abuse of power, for which only necessity could be pleaded as justification.

But that is precisely the plea on which Germany excuses the invasion and conquest of Belgium, which Great Britain from the first protested against and could not imitate.

That Sweden should ever think of joining in a struggle that, whichever wins, must result in the financial and commercial ruin of everyone concerned, is unthinkable. Therefore protests and retaliation are not likely to go much further unless by counter-retaliation irritation is converted into downright hostility and perhaps even war.

Feeling in England is becoming daily more bitter against the neutral countries that help the enemy to evade our blockade and there is some chance that unless the system of pinpricks is abandoned and a definite blockade policy declared and adhered to, that countries like Sweden may be deluded into the belief that they may continue with impunity to defy British power.

It is essential for success that German supplies should be cut off entirely, but equally essential for the maintenance of good relations with neutrals that nothing we should do should be construed as hostility to their interests.

When both sides have fundamentally the same interest in keeping the peace, surely it should not be beyond the range of diplomacy to agree on the conditions under which the ultimate destination of imports into neutral countries shall be determined.

That is what agreements between Great Britain, Holland, Denmark and Norway aim at and, unless Sweden wishes to be ruined, will be come to ultimately with that country also.

TRADE AND FINANCE OF S. PAULO

	Imports.		Exports	
	Contos	£1,000	Contos	£1,000
1913	273,103	18,207	490,281	32,685
1914	135,899	8,546	352,909	21,567
1915	156,886	8,086	465,214	24,151
	565,888	34,839	1,308,404	78,403

Foreign Trade—Imports and Exports.

	Milreis	£
1915	622,100:000\$	32,237,000
1914	488,386:000\$	30,113,000
1913	763,384:000\$	50,892,000
	1,874,330:000\$	113,242,000

Compared with 1914, the foreign commerce of S. Paulo shows an increase of Rs. 133,254:000\$ or 28 per cent. in currency and in sterling of £2,124,000 or 7.1 per cent. Compared, however, with the record year 1913, trade shows a shrinkage in both currency and sterling, in the former of 141,284:000\$ or 18.5 per cent. and in sterling of £18,055,000 or 36.6 per cent.

Imports.

In 1915 imports show an increase compared with 1914 of 20,987:000\$, thanks to the premium on gold which added 38,298:000\$ to their c.i.f. cost. In sterling they show a shrinkage of £466,000 or 5.3 per cent.

Compared with 1913, the last normal if record year, the value of imports shows a decrease in 1915 in currency of 116,217:000\$ or 42.6 per cent of f.o.b. value, of which 35,414:000\$ is due to the premium on gold and the rest to alterations in prices and volume of commodities and in freight and insurance. In sterling the shrinkage was £10,121,000 or 55.6 per cent.

Compared with 1914, the movement of imports per quarter was as follows:—

	Contos currency	£
January-March	Dec. 17,234	1,466
April-June	Inc. 2,967	457
July-September	Inc. 7,237	126
October-December	Inc. 28,023	1,347
Net increase	20,987	4,000

Commencing with a small decline in the first quarter of the year, the value of imports shows an increase in currency for each successive quarter, due not only to the depreciation of the cur-

rency but to positive increase in sterling value since the first quarter, Jan.-March, particularly accentuated during the last quarter, October-December. It, however, should be recollected that comparison with the second half of last year embraces the period when the disturbance of oversea communications was at its height.

Since the financial crisis of 1912-13 there has been little renewal of stocks of merchandise, which had run very low. It was, therefore, only natural that, with such large balances in favour of exports, merchants should take the opportunity of relatively favourable exchanges to restock, in view of the probability, since materialised, of the customs tariff being raised in January.

Looking over the subjoined list of "principal exports," it will be observed that the increase has occurred almost exclusively in articles of prime necessity, such as Hessians (15.7 per cent.), jute (72.2 per cent.) for manufacture of coffee bags, kerosene 23.6 per cent., rice, cod fish (26.3 per cent.), wheat (80 per cent.), wheat flour (18 per cent.)

In comestibles, however, there was a decrease of 2.9 per cent. and 38 per cent in wine.

The values stated in the subjoined table in currency are c.i.f. and therefore include not only the premium on gold but the increase in freight and insurance that in 1916 rose to 20 per cent. as against 16 per cent. on an average for 1913 and 1914. So, as a matter of fact, the volume of the goods imported in 1915 must in reality have been much smaller than the statistics of f.o.b. value indicate and probably did not exceed £6,000,000, whilst the large balance in favour of exports would, under normal circumstances, have naturally stimulated imports, the growing depreciation of the currency and the war on the other hand, reduces the purchasing power of consumers and tends to restrict imports to the indispensable. Seeing, however, that in spite of large balances in favour of exports, exchange does not react, it is to be concluded that the balance of payments is against the country as a whole, though the very large sums paid for coffee must be rapidly improving the position of local producers and giving rise to heavy accumulation of capital that sooner or later must find employment.

For the present a great deal, no doubt, is locked up in coffee itself, of which stocks to the amount of 2½ million bags, worth some Rs. 66,000:000\$ or about £3,000,000 have to be taken care of.

If these were disposed of, money would be so abundant in S. Paulo as to make its employment difficult without some form of speculation, possibly in exchange, or a revival of imports, that at this moment would be inconvenient, were that not practically prevented by difficulties of oversea transport.

Whereas in 1914 the trade of S. Paulo showed a shrinkage in currency of 274,544:000\$ or 46 per cent. compared with 1913 and in sterling of £20,279,000, in 1915 it showed a positive increase of 137,292:000\$ or 17.8 per cent in currency and of £2,124,000 in sterling. It is clear not only that the decline has, in spite of low prices of the main staple, coffee, been arrested, but a gradual and decided recovery set in, largely assisted by the depreciation of the currency that since the beginning of 1913 dropped 25 per cent. from 16d. to 12d., thus adding materially to currency value of exports.

If imports have not responded more actively to the considerable enhancement that has taken place in 1915 in both the currency and sterling value of exports, it is attributable in part to the shrinkage in the purchasing power of the currency, which affects all consumers, though, of course, the agricultural and planting class much less than others, but still more to difficulties as regards foreign credits, the curtailment of transport and general interference of the war with oversea trade, in consequence of which some commodities have ceased to be imported and others, like coal, however indispensable, are only obtainable at prohibitory prices.

Leading Imports.

	Contos	Contos	Contos	Inc. or Dec.	%
	1913	1914	1915	1915-13	
Cotton manufs	16,414	6,413	6,945	- 9,469	57.7
Iron and Steel	36,823	12,292	11,505	-25,316	63.4
Machinery, indust. .	5,877	1,484	1,113	- 4,764	81.1
Machinery, agricult. .	752	277	163	- 584	77.7
Tools, Implets, etc.	27,746	11,933	5,815	-21,931	79.0
Chemicals	5,878	3,529	5,671	- 207	3.5
Leather, raw or wkd.	7,674	2,865	4,949	- 2,725	35.5
Jute yarn	1,272	920	1,472	+ 200	15.7
Jute, raw	4,427	3,542	7,625	+ 3,198	72.2
Coal	11,147	6,500	5,351	- 5,796	61.0
Kerosene	2,735	1,911	3,381	+ 646	23.6
Rice	12	109	960	+ 948	7,900.0
Cod fish	4,599	2,410	3,390	- 1,209	26.3
Wheat flour	3,699	4,566	4,352	+ 653	16.0
Wheat	17,849	18,340	32,193	+14,344	80.4
Wine	16,408	9,819	10,111	- 6,297	38.4
Cereals	18,032	12,233	12,778	- 5,254	29.1
Sundries	91,759	37,378	39,107	-52,652	58.2
Total, contos	273,103	135,899	156,886	-116,217	42.8
In £1,000	18,207	8,546	8,086	-10,121	55.6
Value of £1	15\$655	15\$902	18\$660	+3\$605	23.9

The only staples that show increase compared with 1913, despite the growing depreciation of the currency, were jute yarn and raw jute, kerosene, rice, wheat flour, and wheat in grain, all the rest showing decrease, which comparison with the movement of 1914 show to be progressive in all cases excepting cotton, chemicals, leather, jute yarn, kerosene, rice, cod fish, wheat, wine and commodities, whilst there was a slight revival in wheat flour. The decline was greatest in commodities like machinery that, at a pinch, can be dispensed with, but in the case of others, like iron and steel, could only be deliberately suppressed at the cost of development and upkeep. The textile trade seems to have got over its difficulties and to have done very well in 1915, as, no doubt, the war has helped home manufacturers to liquidate their heavy stocks, whilst the depreciation of the currency has been of material assistance in meeting outside competition. There is, in fact, a tendency to substitute home made products for foreign manufactures whenever possible, that can only be beneficial from the economic and exchange point of view.

As the cost of oversea transport rises, imports of all kinds will tend to be more and more restricted and so help to re-establish the balance of foreign payments and improve exchanges.

Imports by Country of Origin, Increase or Decrease.

	Contos	Contos	Contos	Inc. or Dec.	%
	1913	1914	1915	1915-13	
Germany	49,336	17,348	3,120	-46,216	93.7
Austria	4,699	1,488	198	- 4,501	96.8
Belgium	16,547	4,559	271	-16,276	98.4
United States	70,582	23,435	3,589	-66,993	94.9
Gt. Britain	58,460	27,215	23,350	-30,110	91.5
France	26,505	8,645	6,312	-20,193	76.2
Italy	24,597	14,875	16,629	- 7,968	32.4
Other countries	109,562	50,735	51,291	-58,271	53.2
United States	38,225	24,458	42,429	+ 4,204	10.6
Argentina	22,111	16,062	31,048	+ 8,937	44.2
Portugal	10,028	6,033	6,374	- 3,654	35.4
Other countries	22,593	5,215	22,154	- 439	1.9
Total	92,957	52,769	102,005	+ 9,047	9.7

Very few imports were received at S. Paulo from "enemy" countries, though Germany seems to have succeeded in supplying some 3,120,000\$ (£600,000) probably via Holland. From Austria and Belgium nothing, practically, came.

Compared with 1913, the loss to the enemy's export trade (imports here) was Rs. 66,993:000\$ (about £3,000,000) or 94.9 per cent. for the State of S. Paulo alone, not to mention the loss of the great export trade that in 1913 amounted to Rs. 133,163:000\$ or nearly £9,000,000. No doubt some of the latter has been carried on indirectly through neutral countries, but with such risks as regards capture, banking, shipping and insurance as to have, probably, eliminated profit and have even left a loss to the local German firms who engaged in the business, not to mention the greatly enhanced cost to German consumers.

Imports from the Allied countries, in common with all others, suffered severely from the financial crisis of 1913 and by 1914 this trade showed a decline of 58,927:000\$ or nearly 54 per cent. After the outbreak of the war conditions improved a little and at the close of 1915 the shrinkage in the value of imports from these origins was reduced to 58,271:000\$ or 53.2 per cent., the revival being chiefly in exports to France and Italy, imports from Great Britain showing a slight further decline, largely owing to prohibition of export of coal, etc.

Neutral countries, naturally, took advantage of so unique an opportunity and, though imports from these destinations fell off in 1914, in common with all other countries, in consequence of the financial crisis by Rs. 40,188:000\$ or £2,000,000, they eventually recovered and at the close of 1915 show an increase of 9,048:000\$ or equivalent to about £450,000 or about 9 per cent.

The most notable instances were the United States, that, after losing trade to value of 13,767:000\$ in 1914, closed the year 1915 with a balance of 4,204:000\$ or about £200,000 to the good. Argentina likewise scored, but other neutral countries failed to make good.

EXPORTS.

Class	Contos	Contos	Contos	
Coffee	488,000	350,000	453,000	- 75,000
Frozen meat	—	—	5,739	—
Rubber	91	11	232	+ 104
Bran	229	198	279	+21.8
Bananas	1,500	1,952	1,894	+26.3
Sundry	461	694	3,371	+63.1
Total	490,281	352,940	465,214	- 54,100

There is no necessity for analysing exports in detail, seeing that they consist almost wholly of coffee, which will be treated with more comprehensively when statistics for Rio, Victoria and Bahia are forthcoming.

Practically the whole of the exports of the State of S. Paulo are composed of coffee, other products accounting for only 2.4 per cent. of the total value in 1915. The meat export trade, which only sprang into existence last year, with 1,000:000\$ to its credit, in 1915 shows a value of 5,739:000\$. This trade is, in fact, the most promising of any in the Republic and, if carefully nursed and guarded from the crazy taxation, that has ruined so many other industries, may, in the course of time, rival coffee in importance. The banana trade shows a slight decline, probably due to shipping difficulties.

As regards f.o.b. value of exports, consisting almost exclusively of coffee, f.o.b. value showed considerable expansion, 112,265:00 \$ or 31.9 per cent. compared with 1914, owing to the continual depreciation of the currency, which enhanced f.o.b. value to 70,013:000\$. In sterling the improvement was £2,580,000 or 16.1 per cent.

Compared with 1913, the effect of the fall of exchange was to add 103,072:000\$ to the f.o.b. value of exports, so that, in spite of low prices, the currency value was only 25,062:000\$ less than in 1913, though coffee prices were 21.6 per cent. lower, in sterling they show a decrease of £8,594,000 or over 26 per cent.

Value of Exports by Destination.

	1913 Contos	1914 Contos	1915 Contos	Inc. or Dec. 1913-15 %
Germany	81,879	25,713	—	—
Austria	35,709	10,246	—	—
Belgium	15,577	7,110	—	—
Total Enemies	133,165	43,069	—	-100
Great Britain	11,333	12,542	17,529	+54.7
France	75,539	32,937	57,624	-13.9
Italy	8,768	18,888	22,116	+152
Total Allies	95,640	64,367	97,269	+1.8
United States	165,684	171,859	214,393	+29.4
Argentina	8,754	6,795	7,511	-14.2
Denmark	—	2,365	12,734	—
Norway	—	2,471	17,854	—
Sweden	6,785	13,325	55,607	+72.0
Holland	69,218	42,566	50,976	-27.8
Spain	4,661	3,548	3,451	-25.9
Other countries	6,377	2,544	5,419	-15.0
Total neutrals	261,476	245,513	367,945	+41.3
Grand total	490,281	352,949	465,214	-5.1

REPORTS OF COMPANIES

Pará Improvements Debentures. The trustees for the Debenture holders of the Municipality of Pará Improvements issue a circular approving the proposed arrangement with the Municipality as the best in the circumstances, and advising debenture holders to accept at a meeting held on January 10th. Under the scheme the Municipality has agreed to create an issue of Five per Cent. Funding bonds, limited to the aggregate amount of £885,000 and to allocate to the debenture holders £430,000 of these bonds, secured on municipal revenues, against the surrender of the company's concession. As the company issued £600,000 Debentures, all of which are outstanding, the debenture holders will receive Funding bonds in the proportion of £13 6s. 8d. for each £20 debenture held by them.

Debenture Holders' Action Against the Company. In the Chancery Division, Mr. Justice Younger heard a motion for judgment in the Municipality of Pará Improvements, Ltd.—Hill versus the Company and others. Mr. Frank Russell, K.C., said this was a motion for judgment in default of defence. The action was brought by the plaintiff, a debenture holder, who sued on behalf of himself and all other debenture holders. The defendants were the company and the trustees of the trust deed. The affidavits proved that the money had become due, and he asked that judgment should be pronounced in the usual form, except that the inquiry into accounts should not be proceeded with at present. The company was formed to work a concession in respect of a drainage scheme in connection with the Municipality of Pará. The company had found itself unable to carry out the scheme and the Municipality was going to take it over and pay £400,000 in Five per Cent. Funding Bonds.

His Lordship: Then you say nothing would be done under the judgment?

Mr. Russell: Except by the leave of the Court.

His Lordship: Then the judgment would not be acted upon?

Mr. Russell: It may be a useful weapon against possible recalcitrant shareholders.

His Lordship made the Order.

MONEY

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

	90 days' Bank	Commercial	Sova.
Saturday, 15th January	11 7-16	12 17-32	21\$000
Monday, 17th January	11 5-8	11 17-32	21\$090
Tuesday, 18th January	11 5-8	11 17-32	20\$900
Wednesday, 19th January	11 9-32	11 11-32	21\$200
Thursday, 20th January	Holiday		
Friday, 21st January	11 5-16	11 13-32	21\$200
Saturday, 22nd January	11 9-32	11 11-32	21\$300

Gold in the Caixa de Conversão on 22nd January amounted to £5,015,397, no alteration since previous Saturday.

Monday, 17th January. The market opened with banks all drawing at 11 7-16d. and taking at 11 ½d., the rate rapidly declining to 11 ¼d.; some banks refused to quote selling rate. Some business was done at 11 5-16d. in commercial, the market closing steadier at 11 ¼d. bank, with few bills offering at 11 11-32d.

Tuesday, 18th January. All banks opened at 11 ¼d. on the strength of more repassed paper and a few bills being offered. Banks advanced drawing rate until the London and River Plate and Ultramarino quoted 11 3-8d., with few bills offering at 11 ½d.

Wednesday, 19th January. Banks opened at 11 3-8d., offering to take at 11 ½d.; in absence of bills, rate declined to 11 ¼d. and 11 9-32d., with takers at 11 3-8d., but no bills.

Thursday, 20th January. Holiday.

Friday, 21st December. Banks opened at 11 9-32d., but later 11 5-16d. was general and no money making its appearance business was done at 11 11-32d. bank. No bills were offered and the market closed at 11 5-16d., with weak tendency.

Saturday, 22nd January. Banks all opened at 11 9-32d., retreating to 11 ¼d. on weakness from Santos and no bills offering here, closing at 11 9-32d. in London and River Plate Bank for small amounts.

Sterling (transfer) rates New York on London closed this evening at \$4.77, as against \$4.77 ¼ on previous Saturday, francs \$5.75 against \$5.83 ½ and liras \$6.61 as against \$6.75 on previous Saturday.

Dollar 90 days' rates: Monday and Tuesday, 4\$450, Tuesday and Wednesday 4\$430, Thursday holiday, Friday and Saturday 4\$430.

The market showed some indecision, but finally closed this evening ¼d. down at 11 ¼d. to 11 9-32d. compared with previous Saturday.

Embarques were particularly large last week, especially for the States, and should have yielded some £800,000 in bills, supposing that much of it had not been drawn for long ago, as seems possible.

Otherwise, the conclusion that bills are being held back seems incontrovertible.

In any case, so long as coffee can be shipped freely, as will be the case should the arrangements just announced for utilising the Lloyd and other steamers for shipment of coffee to New York and Havre materialise, there should be no immediate shortage of bills, especially as rubber prices keep up and the demand for that commodity for the States is also quite active.

The effect of the shortage of tonnage and consequent abnormal rise of freights is not only to raise c. & f. of oversea commodities, but to dispose merchants to carry much larger stocks than usually: but whether the rise in freights will not eventually react on cost and prices here depends chiefly on the pressure that American markets may bring to bear on producers.

A duty of 5 cents a lb. would raise the value of the actual stock of 2,000,000 bags by over \$13,000,000 dollars and explain why the mere suggestion should make dealers so anxious to put all the coffee they possibly can into American markets almost regardless of cost!

Havre, for other reasons, seems likewise just as anxious to import, whether to replace the valorisation stock there is talk of requisitioning, or to obviate its necessity by shipping from here. On one side and the other, however, both seem bent on getting as much of our coffees as they can, as quickly as possible, and as long as it lasts there will be no lack of coffee nor of bills if ships are forthcoming.

The trouble will come when New York has at last got all it wants and has no further object to serve in maintaining prices. Then, if we have sold all our valorisation stocks and restocked Havre, there may be trouble!

But, after all, it is mostly conjecture. The American duty may not materialise nor the valorisation stock be disposed of and the movement be an indication merely of unusual anxiety to secure as much coffee and rubber as possible before transport facilities get worse.

The Emergency Issue. Statement for 22nd January:—

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	30:366\$
Interest due from banks	125:583\$

Repaid by banks on account of amort. and int.—

Cash	5,203:383\$
Treasury bills	76,473:400\$
Interest on same	187:028\$
Expenses of issue	489:222\$
	82,353:033\$
	342,531:534\$

LIABILITIES.

Emission authorised	250,000:000\$
10 per cent. of Customs receipts Rio and Santos ...	2,985:582\$
Amortisation of loans	85,893:818\$
Interest on loans	3,650:134\$
	342,531:534\$

Latest Quotations:—

	1916 Jan. 15	1916 Jan. 22	1915 Jan. 22
4 per cent., 1889	46	45½	54
Funding, 1898, 5 per cent.	88½	87½	99
Funding, 1914	74	73½	78
1910 4 per cent.	46	46	55
S. Paulo, 1888	87	85	92
Leopoldina stock	38	37¼	36
S. Paulo Railway Ordinary	173	179	199
Traction Ordinary	51	53	58½
Dumont Coffee Co.	—	7¼	8½
Gold Vales	12d.	12d.	15d.
Treasury bills, 13 to 15 per cent. discount.			

COFFEE

Entries at Santos fell off but were slightly larger at Rio and for the two ports show a shrinkage of 60,183 bags. For the crop to 20th January the increase compared with same period last year was 3,295,946 bags at the two ports.

Clearances were large again and for the crop to 20th January show an increase of 2,595,897 bags at the two ports and f.o.b. value of £3,284,743.

The f.o.b. value per bag for the week was £2.063 as against £2.203 for previous week.

Stocks. There was a net falling off of 40,835 bags at the two ports, accounted for by an increase at Rio of 15,540 and shrinkage at Santos of 56,375 bags.

Embarques were again heavy and show an increase at the two ports of 237,395 bags compared with previous week, their f.o.b. value being £798,000, as against £271,000 for previous week and £182,000 the week before.

Sales. About the same number were declared as for the previous week and the corresponding week last year, when business was considered to be active.

Sailings. Of the total of 141,459 bags sailed from the two ports, none left last week for the States nor Scandinavia, 8,144 for France, 129,015 for rest of Europe and Mediterranean, 936 River Plate and 3,364 coastwise.

Prices at Rio improved, closing on Jan. 20th at 5\$924 for No. 7, 5\$619 for No. 8 and 5\$379 for No. 9, as against 5\$651, 5\$379 and 5\$107 respectively on previous Saturday.

At Santos superior and good average each lost 100 reis, closing at 5\$600 and 5\$500 per 10 kilos.

At New York options declined, March from 7.06c. to 7.00c., May from 7.16c. to 7.09c. and Sept. from 7.35c. to 7.28c.

At Havre quotations improved, closing March at 58f23, May 57f00, Sept. 55f50, as against 57f75, 56f75 and 55f25 respectively on previous Thursday.

At London March closed at 40s. 6d. and Sept. at 40s. 9d., as against 41s. 3d. and 42s. per cwt. the previous Thursday.

The situation is puzzling to say the least of it. Coffee is going forward freely, but exchange drops. The States have accumulated a stock of over 2,000,000 bags, but are hungry for more and ditto at Havre, possibly because the one foresees a duty and the other commandeering of valorisation stocks.

Anyhow both seem to want coffee badly and even London is stocking up. So, to please them, the Brazilian Government, in default of regular carriers, who find wheat at 150s. more profitable than coffee at one dollar per bag, has arranged for the following steamers to load coffee here and at Santos:—

Mo-soro and Guahyba, New York, 27 Jan	80,000
Acre, ditto	30,000
Wemberg	100,000
Purus	90,000
Tocantins	98,000
Rio de Janeiro	18,000

416,000

Guajara for Havre, February	30,000
Tupy ditto	60,000
Araquary	60,000
Parana	95,000
Tibagy	50,000
Corcovado	60,000

355,000

Total, 761,000 bags to the two destinations, not to mention 180,000 bags per R.M.S.P. Carnarvonshire, Duplex 125,000, A. Villaret 105,000 engaged for February, Ango with space for 125,000, Denbighshire 150,000, Tyne, Champlain 125,000 and Pembrokeshire 150,000 bags; with no space yet engaged for any of them. As far

as Havre is concerned there is no lack of steamers and freights are merely a matter of price.

The relief has come just in the nick of time when most of the regular N. York liners had retired to more profitable fields and left Brazil in the lurch to move its crop as bet it could! There are, besides, quite a lot of smaller steamers, like the Costeira's, that could be pressed into the coastwise service if wanted. But, fortunately, we are nearing the close of the season, when shipments usually slacken.

If instead of shrinkage there is a revival, there must be some special reason for shipments being hurried forward in the way that is now contemplated. The Lloyd, it is true, is a national service, but it is none the less a commercial concern, obliged in its own interest to look after £ s. d. and get as much as possible for its service. With the Comercio e Navegação Line it is the same, so that, with British liners refusing anything below \$2 a bag for freight to New York, it will be interesting to see what these national steamers will charge. Whatever may be the case as regards the cost of coffee, there can be no question as to who pays freight and insurance nor object in cutting down such charges simply to cheapen delivery to foreign consumers. If American and French importers are in a hurry let them pay for it just as we here as paying through the nose for everything imported in foreign bottoms. It may be argued that the more freights are raised the more coffee will fall, but that does not follow if buyers are in such a hurry and require delivery of coffees by a fixed date.

This seems the opportunity for Brazil to make a haul that would put Brazilian shipping on its legs perhaps once and for all. All other neutrals are making fortunes out of their shipping and why not here too?

Steamers are fetching fabulous prices and there are lots of old boats that, under ordinary circumstances, no one would look at, that could be patched up and made to serve at a pinch. *Carpe diem*

Coffee Prospects in S. Paulo. The rainfall in S. Paulo is by no means uniform, nor can the returns of any single district even as important as Ribeirão Preto, be taken as a criterion. At Santa Cruz do Rio Pardo, for example, the rainfall for the past year was 67.46 inches, but at Dumont only 50.48 inches and 46.25 inches at Agua Santa, on the Araraquara Railway.

For the last nine months the rainfall at Dumont was as follows:—April 2.27in., May 0.79in., June 1.06in., July 0.76in., August 2.52in., Sept. 1.86in., October 5.29in., Nov. 10.17in., and Dec. 5.65in. The last three months are above the average for late years.

The rainfall for the year when the coming crop was in process of formation would seem to point to a crop of about 8½ to 9 millions exclusive of new areas that may come into production.

—A correspondent writing from S. Paulo says: I expect entries at Santos will fall off considerably from now, as the Mogyana has very little left to send down. The crop, I imagine, will pan out between 10½ to 11 million bags. The Rio crop is getting away somehow and it is to be hoped that Government will not be obliged to come into the market. There has been some difficulty, I hear, in disposing of the Dumont crop, which was shipped to London, on account of obstacles put in the way of re-exports by the British Government to the Continent, the chief market for Dumont coffees and prices realised are lower in consequence.

Pure Food Committee. At the last convention of the National Coffee Roasters' Association a resolution was passed condemning misbranding of green and roasted coffees and offering the assistance of the association to the government in correcting abuses of this description wherever found. The committee reported that through its chairman, William B. Harris, the resolution had been transmitted to the United States Department of Agriculture.

Misbranding of the roasted coffees has been largely done away

with so far as interstate shipments are concerned. The greatest difficulty encountered at present in connection with roasted coffee is with reference to interstate shipments which are not covered by federal inspection, and unless the pure food departments of the various states can be induced to take action there is little that can be done. Favourable comment should be made of the action of the New York Board of Health with reference to shipments of damaged coffee.

The report tells of the action of the chairman in communicating with the presidents of warehouse companies in New York with a view to improving conditions, calling attention to the custom of mixing odd lots of coffee, rebagging them under fictitious marks, as directed by the owners, honouring a delivery order calling for the coffee under such fictitious marks, indicating a steamer other than the one which brought the coffee into the country and other deceptive practices.

Inquiry was also made as to whether the warehouses were considering honouring only such orders as were correctly made out in every particular. In reply, one of the oldest warehouse companies in New York stated that it had never permitted anything of the kind, and cited an instance where a portion of a lot of coffee had been shipped to Chicago, where it was refused. After some little delay the shipment was returned to New York and placed in the original warehouse. The shipper wished the coffee returned to the warehouse as it had been originally entered; in other words, made a part of what remained of the original lot. This was refused and the coffee entered as ex trucks. Other companies responded, assuring co-operation.

The committee stated that it had every reason to believe that the suggestions are being carried out and that it is now impossible to have coffees improperly mixed or branded in any of the large New York warehouses. It is also certain that these warehouse companies are, without a single exception, particularly anxious to co-operate with the association.

"In this connection it is interesting to note," the report continues, "that the New York Coffee Exchange amended its bye-laws so that it is now in a position to take action where a delivery of coffee is incorrect in any particular, without waiting for a formal complaint on the part of a member. In order, however, for the Exchange to take action a member of the Exchange must have been a party to the transaction. It is practically certain that so far as shipments from New York warehouses are concerned, the trade is reasonably sure that there is no improper mixing or misbranding of green coffees."

The suggestion was offered by the president of one of the warehouse companies that if all coffees were marked with the country of origin, and that if it was understood by all warehousemen that the country of origin could not be disturbed without coming in contact with the Federal Government, much of the difficulty would be overcome.

The chairman was advised upon inquiry that the Treasury Department had become more particular in this regard, especially in connection with cocoa shipments.

Upon further investigation it was found that the Tariff Act of October 3, 1913, requires that "All articles of foreign manufacture or production which are capable of being marked, stamped, branded or labelled without injury, shall be marked, stamped, branded or labelled in legible English words in a conspicuous place so as to indicate the country of origin."

Further advice was to the effect that the Treasury Department had ruled that coffee must be marked to indicate the country of origin prior to release from customs custody. As far as can be learned, however, the Treasury Department is only concerned with such labelling at the time of entry, and ordinarily has no further jurisdiction over a product after it has issued a permit for its release from customs supervision. Certain shipments of coffee were detained until the country of origin was stenciled on the bags and all shipments are now so stenciled.

The committee gave the question of grading careful consideration, and found it difficult to solve, because there is no accurate information obtainable, and apparently no one had any definite idea as to how this or that grade is or was originally made up.

The basis for grading is a pan sample which may vary slightly as the coffee is heavy or dry. The average pan sample contains 13 ounces. It would be preferable to employ an actual weight of 13 ounces, or better, 16 ounces. Coffees are supposed to contain a

certain number of black beans or their equivalent to the sample (about 13.441 lbs). Grade No. 2 contains 6 black beans or equivalent; No. 3 contains 13 black beans or equivalent; No. 4 contains 30 black beans or equivalent; No. 5 contains 58 black beans or equivalent; No. 6 contains 115 black beans or equivalent; No. 7 contains 200 black beans or equivalent; No. 8 contains 450 black beans or equivalent.

If all the imperfections were black beans the whole matter would be very easy of solution. Other imperfections must be taken into consideration, such as blights or quakers, sour beans, broken beans, stones, sticks, pods, etc. Just how to tally these imperfections with black beans is the question concerning which no information is obtainable.

It is interesting to note that the Board of Estimate and Apportionment of the City of New York has formulated tentative specifications for the purchase of Santos and Bogota, which is, at least, a beginning in the question of determining a grade accurately. The standard in these proposed specifications is 1 pound and the blacks are the multiples of 6, except in the lowest grade called for. The unit of defects is a black bean, and all other imperfections are tabulated to equal black beans. No purchases are contemplated of coffees lower than No. 6.

"In arriving at an accurate grading of coffee it would seem desirable to consider the weight of imperfections as well as the number, for it may be found to be desirable to recommend a change in this regard."

An item which seems to be causing considerable annoyance to some is the practice of separating low-grade coffees and then using the poor separations or screenings in manufacturing cheap ground mixtures. Separations of this description that were shown to the chairman of the committee were, in his opinion, below grade 8. This, being the case, such shipments, forwarded inter-state, would be liable to seizure under the Food and Drugs Act.

Members of the association are taking all possible care, even with their low-priced ground coffee, to make certain that the material used in connection therewith is above grade, and the committee is of the opinion that the association has so broadened the ideas of its members regarding business methods and competitive practices that errors of this description, largely due to lack of supervision, rather than direct intent, will shortly disappear.

Coffee Statistics

ENTRIES.
IN BAGS OF 60 KILOS

RIO	FOR THE WEEK ENDED			FOR THE CROP TO	
	Jan. 20 1916	Jan. 13 1916	Jan. 21 1915	Jan. 20 1916	Jan. 21 1915
Central and Leopoldina	39,750	38,593	51,758	1,976,677	1,397,536
Inland	828	1,691	1,447	66,468	25,488
Coastwise, discharged	5,560		208	86,831	25,691
Total	46,138	40,284	53,413	2,129,976	1,449,715
Transferido from Rio to Niteroy	708	800	1,262	56,433	20,000
Net Entries at Rio	45,430	39,484	52,151	2,073,543	1,429,714
Niteroy from Rio & Leopoldina	5,413	4,039	9,016	218,171	184,395
Total Rio, including Niteroy & transit	50,843	43,523	61,167	2,291,714	1,614,109
Total Santos	297,177	311,125	288,806	9,430,469	6,842,128
Total Rio & Santos	348,020	354,648	349,973	11,722,183	8,456,237

The most arrivals for January 20th, 1916, were from:

Per	Total at S. Paulo	Remaining at S. Paulo
1915/1916	7,760,745	9,430,469
1914/1915	5,798,893	6,842,128

The total arrivals by the Santos Railway for the week ending January 20th, 1916, were as follows:

Per	Total at S. Paulo	Remaining at S. Paulo
1915/1916	7,760,745	9,430,469
1914/1915	5,798,893	6,842,128

FOREIGN STOCKS.

IN BAGS OF 60 KILOS.

January 20, 1916. January 13, 1916. January 21, 1915.

United States Ports	1,785,400	1,807,000	1,862,000
Havre	1,788,000	1,807,000	1,862,000
Both	1,788,000	1,807,000	1,862,000
Deliveries United States			
Visible Supply at United States ports			

SALES OF COFFEE.

During the week ending January 20th, 1916.

January 20, 1916. January 13, 1916. January 21, 1915.

Rio	42,020	45,274	45,880
Santos	129,130	125,563	133,120
Total	171,150	170,837	179,000

COFFEE LOADED (EMBARQUES).

IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP TO	
	1916 Jan. 20	1916 Jan. 13	1915 Jan. 21	1916 Jan. 20	1915 Jan. 21
Rio	69,469	42,782	67,466	2,080,218	1,354,322
Niteroy	13,888	880	4,305	250,549	169,960
In transit					
Total Rio including Niteroy & transit	83,357	43,662	71,771	2,330,767	1,524,282
Santos	303,492	105,809	278,314	7,327,660	6,915,680
Rio & Santos	386,849	149,471	350,085	9,658,427	8,439,962

COFFEE SAILED.

During the week ending January 20th, 1916, were consigned to the following destinations:—

IN BAGS OF 60 KILOS.

PORTS	UNITED STATES	EUROPE & MEDITERRANEAN	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio	—	1,005	3,304	—	—	—	8,369	2,194,808
Santos	—	132,154	—	—	—	—	133,090	7,228,000
1915/1916	—	137,159	3,304	—	—	—	141,463	9,422,808
1914/1915	97,365	332,562	7,136	3,724	—	—	440,800	6,675,511

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS

During the week ending January 20th, 1916.

IN BAGS OF 60 KILOS.

	Jan. 20, 1916	Jan. 13, 1916	Jan. 21, 1915	Crop to Jan. 20, 1916
Rio	5,005	1,65	9,887	2,043,022
Santos	183,090	102,464	268,324	14,823,568
Total 1915/1916	188,095	104,119	278,211	16,866,590
Total 1914/1915	440,800	314,677	409,335	14,009,515

OUR OWN STOCK.

IN BAGS OF 60 KILOS

RIO Stock on January 13th, 1916.	265 839
Entries during week ended January 20th, 1916.	45 864
Loaded (Embarques), for the week Jan. 20th, 1916.	311.683
STOCK IN RIO ON January 20th, 1916.	69.489
Stock at Nictheroy and Porto da Madama on January 13th, 1916.	243.204
Afloat on January 13th, 1916.	31.074
Entries at Nictheroy plus that imbarques including transit.	91.754
Deduct: imbarques at Nictheroy, Porto da Madama and Vianna and sailings during the week January 13th, 1916.	88.790
STOCK IN NICTHEROY AND AFLOAT ON Jan. 20th, 1916.	201.615
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and AFLOAT ON January 20th, 1916.	22.257
SANTOS Stock on January 20th, 1916.	179.858
Entries for week ended January 20th, 1916.	2,569,482
Loaded (embarques) during same week.	247.117
STOCK IN SANTOS ON January 20th, 1916.	2,836,599
Stock in Rio and Santos on January 20th, 1916.	303.492
do do on January 13th, 1916.	2,533 107
do do on January 21st, 1916.	2,954 639
	2,995.504
	2,193.577

COFFEE PRICE CURRENT.

During the week ending January 20th, 1916.

	Jan. 14	Jan. 15	Jan. 17	Jan. 18	Jan. 19	Jan. 20	Average
RIO—							
Market N. 6 10 kilos	5.924	5.986	6.060	6.128	6.128	6.088	6.088
• N. 7	5.720	5.798	5.856	5.924	5.924	5.837	5.837
• N. 8	5.447	5.515	5.583	5.651	5.651	5.563	5.563
• N. 9	5.175	5.243	5.311	5.379	5.379	5.291	5.291
SANTOS—							
Superior per 10 kilos...	5.500	5.500	5.500	5.500	5.500	5.500	5.500
Good Average.....	3.800	3.800	3.800	3.800	3.800	3.800	3.800
N. YORK, per lb..							
Spot N. 7 cent.	—	—	—	—	—	—	—
Options—							
• Mar....	705	706	709	697	695	700	684
• May....	714	715	718	705	704	709	710
• Sept....	735	735	731	728	725	728	730
HAVRE per 50 kilos							
Options..... francs							
• Mar....	58.50	57.25	58.00	58.75	58.00	58.25	58.20
• May....	57.00	56.50	57.25	—	57.00	56.93	56.93
• Sept....	55.50	55.25	55.75	55.50	55.00	55.50	54.91
HAMBURG per 1/2 kilos							
Options..... pfennig							
• Mar....	—	—	—	—	—	—	—
• May....	—	—	—	—	—	—	—
• Sept....	—	—	—	—	—	—	—
LONDON cwt							
Options..... shillings							
• Mar....	41/3	40/9	40/9	40/5	40/6	40/6	40/9
• May....	42/3	41/9	41/3	41/3	40/8	40/9	41/3
• Sept....	—	—	—	—	—	—	—

MANIFESTS OF COFFEE.

RIO DE JANEIRO.

During the week ending January 20th, 1916.

HOLLANDIA—Amsterdam	500
Ditto	500
Ditto	500
Ditto	250
Ditto	2,000

17—LIGER—Leixões	Castro Silva & Co	200
Ditto—Bordeaux	Pinto & Co	125
Ditto—Lisbon	J. Germano Ferreira	30
18—T. DI SAVOIA—Genoa	Carlo Pareto & Co	2,659
Total overseas		5,005

COASTWISE.

ITASSUCE—Maceio	McKinley & Co	30
ITAPUHY—Porto Alegre	Stolle Emerson & Co	200
Ditto	Castro Silva & Co	179
Ditto	Theodor Wille & Co	140
Ditto	Sequeira & Co	130
Ditto	Castro Silva & Co	100
Ditto	Miranda Jordao	100
Ditto	McKinley & Co	100
Ditto—Pelotas	Ornstein & Co	75
Ditto	Castro Silva & Co	50
Ditto—Rio Grande	Castro Silva & Co	60
ITAPEMA—Porto Alegre	McKinley & Co	550
Ditto	Stolle Emerson & Co	350
Ditto—Pelotas	Castro Silva & Co	50
Ditto	Ornstein & Co	50
ITAJUBA—Porto Alegre	Castro Silva & Co	1,200
Total coastwise		3,364

SANTOS

During the week ending January 20th, 1916.

ROLLANDIA—Amsterdam	Hard, Rand & Co	4,750
Ditto	Nauman Gepp & Co	3,000
Ditto	Cia. Prado Chaves	3,000
Ditto	Theodor Wille & Co	1,500
Ditto	Societe E. Bresilienne	1,500
Ditto	E. Alves Toledo & Co	1,000
Ditto	M. Wright & Co	1,500
Ditto	Eugen Unban & Co	1,000
Ditto	Leme Ferreira & Co	1,000
Ditto	Whitaker Brotero & Co	1,000
Ditto	Ed. Johnston & Co	1,000
Ditto	Levy & Co	1,000
Ditto	Stolle Emerson & Co	1,000
Ditto	Nossack & Co	1,000
Ditto	Leon Israel & Co	750
Ditto	Dichold & Co	750
Ditto	Santos Coffee Co	750
Ditto	Malta & Co	500
Ditto	Dauch & Co	500
Ditto	G. Trinks & Co	500
Ditto	Zerrenner Bulow & Co	500
Ditto	Prado Ferreira & Co	500
Ditto	A. Reisingann & Co	1
15—FRISIA—B. Aires	Nauman Gepp & Co	600
Ditto	R. Alves Toledo & Co	180
Ditto	M. J. Fernandes	6
TENNYSON—Montevideo	Santos Coffee Co	159
16—CADIZ—Barcelona	Hard, Rand & Co	2,250
Ditto	Nauman Gepp & Co	1,125
Ditto	A. Ribas	874
Ditto	Prado Ferreira & Co	500
Ditto	Raymundo Diez	224
Ditto	Leite Santos & Co	150
Ditto—Sevilla	Francisco Tenorio	1,600
Ditto	Prado Ferreira & Co	1,000
Ditto	Leite Santos & Co	125
Ditto	Hard, Rand & Co	125
Ditto—Malaga	Hard, Rand & Co	500
Ditto	Prado Ferreira & Co	375
Ditto—Alicanti	Nauman Gepp & Co	125
Ditto—Mellila	F. Vallozo	1,000
Ditto—Gibraltar	Nauman Gepp & Co	250
Ditto—Valencia	Nauman Gepp & Co	125
Ditto	J. de Almeida Cardia	125
Ditto—Gijon	Hard, Rand & Co	125
Ditto—Santander	Hard, Rand & Co	250
Ditto—Bilbao	Leite Santos & Co	250
Ditto	Ribas Hermanos	10,054
P. DE SATRUSTEGUI—Santander	Prado Ferreira & Co	1,000
Ditto—S. Sebastian	G. Tomasselli	200
Ditto—Bilboa	Troncoso Hermanos	125
Ditto—Gijon	Hard, Rand & Co	125
Ditto—Vigo	Prado Ferreira & Co	125
Ditto—Lisbon	Luiz Francisco Jr.	46
Ditto	Ferreira Jr. Saraiva	10
Ditto	E. Hermans	1,633
17—CAVOUR—Genoa	Stolle Emerson & Co	5,900
Ditto	Levy & Co	2,500

Ditto—	"	Cia. Prado Chaves	2,250	
Ditto—	"	Nauman Gepp & Co.	2,000	
Ditto—	"	A. Baccarat	1,000	
Ditto—	"	J. B. Scnracchio	1,000	
Ditto—	"	Antonio Poli	1,000	
Ditto—	"	Belli & Co	349	
Ditto—	"	J. Lucci & Co	20	
Ditto—Consumption		J. Lucci & Co	4	15,123
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—STELLA POLARE—Genoa		Cia. Prado Chaves	—	50,000
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—T. DI SAVOIA—Genoa		Stolle Emerson & Co.	6,000	
Ditto—	"	A. Baccarat	3,000	
Ditto—	"	Picone & Co	2,250	
Ditto—	"	S. A. Martinelli	2,028	
Ditto—	"	R. Alves Toledo & Co.	2,000	
Ditto—	"	Leme Ferreira & Co.	2,000	
Ditto—	"	J. Osorio	1,500	
Ditto—	"	G. Tomaselli	101	
Ditto—	"	Julio Moraes	30	
Ditto—Naples		Leme Ferreira & Co.	250	19,169
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—LIGER—Bordeaux		Ed Johnston & Co	5,750	
Ditto—	"	Picone & Co	1,000	
Ditto—	"	Prado Ferreira & Co.	1,000	
Ditto—	"	Leite Santos & Co	250	
Ditto—	"	J. P. Silveira Cintra	141	
Ditto—	"	Oliveira Mello & Co.	1	
Ditto—Paris		J. B. P. Francisco	2	8,144
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Total overseas			—	133,090

DESTINATIONS

PER SHIPPING COMPANIES

Italy	86,932	Italian	86,932
Holland	30,001	Dutch	30,787
Spain	11,669	Spanish	11,727
France	8,469	French	8,499
South America	936	British	150
Portugal	88		
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Overseas	138,095	Overseas	138,095
Coastwise	3,364	Coastwise	3,364
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Total	141,459	Total	141,459

SHIPPERS.

Brazilian	76,391
American	21,775
British	15,475
Italian	13,253
German and Austrian...	6,251
Spanish	3,200
French	1,750
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Overseas	138,095
Coastwise	3,364
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Total	141,459

COFFEE SAILED DURING THE MONTH OF DECEMBER, 1915

Per Destination.

BAGS

	Rio	Santos	Total
Havre	122,760	200,477	323,237
Stockholm	43,275	105,500	148,775
Marseilles	35,508	16,271	51,779
Christiania	28,500	79,572	108,072
New York	27,739	484,924	512,663
Genoa	23,394	74,727	98,121
New Orleans	22,300	102,078	124,378
Trondhjen	16,750	18,000	34,750
Copenhagen	12,750	25,162	37,912
Gothemburg	11,000	58,375	69,375
Oran	8,750	—	8,750
Gefle	8,250	—	8,250
Bergen	7,750	9,352	17,027
Halmstad	7,750	—	7,750
Buenos Aires	6,915	10,463	17,378
Aalesund	6,275	625	5,900
Sundsvall	5,250	—	5,250
Amsterdam	4,510	27,593	32,103
Algiers	3,625	500	4,125
Malmo	3,207	38,375	41,582
Norkoping	3,000	—	3,000
Gibraltar	2,625	125	2,750
Valparaiso	2,581	150	2,731
Christiansund	2,375	1,750	4,125
Tunis	2,220	—	2,220

Ornskolsvik	1,500	—	1,500
Mostaganem	1,375	—	1,375
Helsingborg	1,500	—	1,500
Philippeville	1,125	—	1,125
Palermo	1,125	—	1,125
Alexandria	1,000	15,500	16,500
Drontheim	1,125	—	1,125
Hundiksvall	1,000	—	1,000
Liverpool	1,000	257	1,257
Malta	1,127	—	1,127
Skien	875	500	1,375
Arendal	625	250	875
Iquiqui	600	—	600
Oscarsham	500	—	500
Westervik	500	—	500
Leixões	445	—	445
Sfax	437	—	437
Bordeaux	475	8,443	8,918
Corral	400	—	400
Lisbon	425	505	930
Talcahuano	375	50	425
Santander	375	883	1,258
Bilbao	375	250	625
Montevideo	300	100	400
Porto Murtinho	300	—	300
Punta Arenas	290	—	290
Kalmar	250	—	250
Gijon	250	—	250
Dramen	250	625	875
Carlskrona	250	—	250
Bougie	250	—	250
Tacopilla	200	—	200
Valdivia	230	—	230
Susa	125	—	125
Tangiers	125	—	125
Stavanger	125	1,500	1,625
Laurvig	125	—	125
Casa Blanca	125	—	125
Ilha Chipre	125	—	125
Teneriffe	100	—	100
Patagonia	80	—	80
Las Palmas	75	—	75
Antofagasta	75	—	75
Naples	20	3,617	3,637
London	—	36,551	36,551
San Francisco (Cal.)	—	14,400	14,400
Barcelona	—	4,415	4,415
Sevilha	—	1,731	1,731
S. Pedro	—	2,200	2,200
Malaga	—	1,250	1,250
Huelva	—	1,309	1,309
Vigo	—	625	625
Vancouver	—	550	550
Valencia	—	500	500
Cadiz	—	525	525
Alicante	—	125	125
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		440,938	1,350,680
			1,791,618

COASTWISE.

Pará	7,739	—	7,739
Porto Alegre	5,741	979	6,720
Manáos	2,365	—	2,365
S. Luiz	1,845	—	1,845
Pelotas	1,351	—	1,351
Pernambuco	427	200	627
Rio Grande	420	—	420
Corumbá	391	—	391
Natal	380	—	380
Amarração	295	—	295
Maceió	270	—	270
Mossoró	225	—	225
S. Francisco	175	—	175
Itacoatiara	130	—	130
Almeirim	100	—	100
Parinteus	55	—	55
Camocim	45	—	45
Maceau	55	—	55
Santarem	30	—	30
Tutoya	2	—	2
Iguape	—	50	50
Rio de Janeiro	—	1	1
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Total coastwise	22,041	1,230	23,271
Total overseas	440,938	1,350,680	1,791,618
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Grand total	462,979	1,351,910	1,814,889

PER SHIPPERS (overseas)

Louis Boher & Co.	48,121	—	48,121
McKinley & Co	48,052	—	48,052
Hard, Rand & Co.	40,255	238,238	278,493
Pinto & Co.	38,885	—	38,885
Norton Megaw & Co.	37,614	—	37,614
Produce Warrant Company	27,500	—	27,500
Pinheiro & Ladeira	18,837	—	18,837
Dias Garcia & Co.	20,070	—	20,070
Ornstein & Co.	18,500	—	18,500
Arm. G. O. Minas Geraes	14,449	—	14,449
Mario Almeida	13,375	—	13,375
Castro Silva & Co.	13,356	—	13,356
Eugen Urban & Co.	13,263	19,221	32,484
Arbuckle & Co	8,500	77,831	86,331
Carlo Pareto & Co.	8,376	—	8,376
Theodor Wille & Co.	9,500	11,669	21,169
Galemo Gomes & Co.	5,833	—	5,833
Karl Valais	5,250	—	5,250

Stolle Emerson & Co.	7,913	36,025	43,938
Pierre Pradez	4,875	—	4,875
A. J. Hollevik	2,500	—	2,500
Klingenberg & Co.	2,000	—	2,000
Roberto Schoenn & Co.	500	—	500
Naumann Gepp & Co.	—	133,040	133,040
Ed. Johnston & Co.	—	91,696	91,696
Rodrigues Alves Toledo & Co.	—	99,140	99,140
Comp. Prado Chaves	—	70,877	70,877
Michaelsen Wright & Co.	—	44,876	44,876
Société F. Bresilienne	—	45,699	45,699
Levy & Co.	—	44,592	44,592
Leite & Santos	—	44,251	44,251
Santos Coffee Company	—	37,226	37,225
Whitaker Brotero & Co.	—	36,011	36,011
Nioac & Co.	—	38,152	38,152
Leon Israel & Bros	—	28,148	28,148
Prado Ferreira	—	29,725	29,725
Malta & Co.	—	27,005	27,005
J. Aron & Co.	—	25,500	25,500
A. Picone	—	19,901	19,901
Raphael Sampaio & Co.	—	13,500	13,500
S. A. Martinelli	—	15,923	15,923
Leme Ferreira & Co.	—	15,375	15,375
G. Trinks & Co.	—	14,716	14,716
Diebold & Co.	—	12,552	12,552
E. Whitaker & Co.	—	12,410	12,410
The S. Paulo Coffee Estates	—	7,314	7,314
Toledo Assumpcao	—	5,500	5,500
Nossack & Co.	—	4,550	4,550
McLaughlin & Co.	—	9,681	9,681
A. Baccarat	—	3,500	3,500
Francisco Tenorio & Co.	—	3,040	3,040
Ind. R. F. Matarazzo	—	5,100	5,100
S. Suez. Bresilienne	—	2,892	2,892
Belli & Co.	—	1,674	1,674
Geo. W. Ennor	—	980	980
A. J. de Lange	—	678	678
Freitas Lima Nogueira & Co.	—	400	400
Zerrenner Bulow & Co.	—	604	604
Villas Boas & Co.	—	300	300
Pasquale Barberi & Co.	—	286	286
J. Lucci & Co.	—	101	101
G. Tomaselli & Co.	—	52	52
J. Jorge Figueiredo & Co.	—	195	195
F. Macehioratti	—	50	50
Dauch & Co.	—	30	30
Companhia P. Armazens Geraes	—	18	18
Cerquillo Rinaldi	—	33,414	20,097
Sundry	—	—	53,511
	440,938	1,350,683	1,791,618

Per shippers (coastwise)

Ornstein & Co.	5,424	—	5,424
Eugen Urban & Co.	5,355	—	5,355
Theodor Wille & Co.	2,675	—	2,675
McKinley & Co.	2,170	—	2,170
Stolle Emerson & Co.	2,011	—	2,011
Gastro Silva & Co.	1,250	—	1,250
Sequeira & Co.	1,076	—	1,076
Hard. Rand & Co.	810	—	810
Dias Garcia & Co.	205	—	205
Tancredito Porto	200	—	200
Queiroz Moreira & Co.	25	—	25
Pinheiro & Ladeira	2	—	2
Picone & Co.	—	400	400
J. Procopio Irmão	—	1	1
Sundry	838	829	1,667
Total coastwise	22,041	1,230	23,271
Total overseas	440,938	1,350,683	1,791,618
Grand total	462,979	1,351,910	1,814,889

PER SHIPPING COMPANIES

Johnson Line	99,407	235,057	334,464
Royal Mail	74,150	53,298	127,448
Chargeurs Reunis	52,260	161,411	213,671
Various Norwegian Lines	40,186	—	40,186
Lloyd Brasileiro	34,800	140,814	175,614
Transport Maritimes	31,150	32,273	63,423
Sud Atlantique	30,587	9,662	40,249
Lloyd Italiano	19,912	23,379	43,291
Norwegian South American Line	14,875	53,493	68,368
Prince Line	12,739	34,365	47,104
Various Danish Lines	9,875	22,162	32,037
Comp. Commercio Navegação	5,625	54,678	60,303
Lloyd Real Hollandes	5,510	31,627	37,137
Lampart and Holt	3,585	400	3,985
N. G. Italiana	3,502	7,710	11,212
Various Chilean Lines	1,625	—	1,625
Comp. Transatlantica de Barcelona	1,150	—	1,150
Various English Lines	—	254,840	254,840
Various Russian Lines	—	123,000	123,000
N. Italia	—	24,308	24,308
Various Brazilian Lines	—	33,541	33,541
Harrison Line	—	17,152	17,152
La Ligue Brésilienne	—	22,947	22,947
Pinillos Izquierdo & Cia.	—	12,500	12,500
Pacific Steam Navigation Company	—	1,963	1,963
Lloyd Sabando	—	100	100
Lloyd Brasileiro (coastwise)	11,497	1	11,498
Navegação Costeira	6,429	1,229	7,648
Cia. Commercio e Navegação	4,115	—	4,115
	462,979	1,351,910	1,814,889

Railway News

THE LEOPOLDINA RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS

Year	Week Ended.	Receipts for Week			Total from 1st Jan.
		Currency.	Exch.	Sterling.	
1916	15th. Jan.	564:000\$	11 11/16	£ 27,466	£ 51,534
1915	16th. Jan.	504:000\$	14 1/32	£ 29,406	£ 62,410
Increase....	—	—	—	£ —	—
Decrease....	—	60:008\$	2 11/32	2,000	£ 10,876

PERNAMBUCO MARKET REPORT.

Sugar. Entries during the week have been very small and the total for the month to 11th was only 37,937 bags compared with 72,608 bags for same date last year. Prices in the market to planters have been steadier and 3a whites have put on about 200 reis during the week, to-day's sales being at 6\$800 to 7\$000 for whites 3a boa, with somenos at 5\$700 to 6\$000 and bruto secco 4\$200 to 4\$400. Entries find a ready sale at these prices. Usinas have not yet been sold in the market but for small lots of stored stuff dealers offer 9\$000 and probably something has been done at this figure, but if so is being kept very secret. This price would seem to be too high for Rio Grande markets at the moment, but far Para, etc., seems to be in small demand. Rio Grande shippers seem to be waiting for new entries to see what the planters will decide to do about selling before entering into any large purchases but shipments have been so small of late that sugar must be wanted down there. Dealers still maintain their bagged prices as given last week but should any large demand open up they would raise them, as they barely cover costs of stocks in store and unless planters become more reasonable about selling next week they could not replace even at same figure. Prices in Europe keep firm and lower qualities for brewing purposes are wanted and decent kinds of bruto mellado are worth about 3\$400 to 3\$500 and a small lot of these seems to have been engaged for Liverpool per s.s. Traveller. Shipments during the week have been small and comprise Rio 1,000 bags, Santos 5,959 bags and Rio Grande ports 3,216 bags.

Cotton. Entries up to 11th inst. have been 10,020 bags compared with 7,953 bags same time last year. The market has continued very firm and free buyers at 25\$000 all the week, but only about 1,500 bags seem to have been sold at this figure, sellers generally holding off seeing that sales during the last ten days amounted to about 10/12,000 bags at this price, but the enquiry from the South is very insistent and buyers are many. Yesterday sellers were inclined to entertain new business at 26\$000 and sundry parcels were refused at this. To-day buyers appeared, and offered the price, but only secured about 3/4,000 bags and sellers have once more withdrawn from the market and it will probably require a further advance to tempt more sales at the moment. The difficulty of shipping still persists and during the week only shipments have been 1,654 bags to Santos, 1,573 bags and 474 pressed bales to Rio, 50 bales to Itajahy and 50 bales to Bahia.

Coffee has been firmer, with buyers at 7\$500 to 7\$700, but little business.

Cereals. Milho weaker at 9\$000 to 9\$200 per bags of 60 kilos. Beans, imported lots from south, 15\$500 to 20\$000 per bag; no home grown available. Farinha, home grown, unchanged at 30\$ to 36\$ per bag of 100 kilos, but for imports from Rio Grande ports market is easier at 12\$000 to 12\$500 per bag of 50 kilos.

Freights. Nothing doing and no steamers are expected to be available for Liverpool during next three months, but the quotation for cotton seed for any boat that may happen to come along has been put up to 85s., a prohibitive rate even in view of still higher value of the article in Liverpool.

Exchange tended downwards all the week. 8th opened with 11 11-16d. for collections, with 11 1/4d. for business; same rates ruled on 10th, 11th and 12th; yesterday collections were at 11 11-16d. and business rate dropped on Rio advices to 11 5-8d., then 9-16d. and closed at 11 1/4d. During the day private was reported as sold at 11 13-16d., 11 1/4d. and 11 11-16d. To-day rate has been weak at 11 7-16d., with further drop anticipated.

RUBBER

Weekly Cable. London quotations for hard fine closed and changed at 3s. 7d. per lb. and at Pará at \$5500 per kilo, an improvement of 300 reis.

The export duty on rubber from the Acre Territory, under federal jurisdiction, was reduced on 1st January last to 12 per cent as against 18 per cent and more charged by the States of Amazonas and Pará.

SHIPPING

Engagements. The Royal Mail reports engagements of 115,000 bags per s.s. Carmarthenshire, of which 30,40,000 for London and balance for Havre; also 11,000 bags per s.s. Victoria for Chile.

Mr. Luiz Campos reports following engagements for Scatdinavia: Per s.s. P. Ingeborg, 25,000 Santos and 16,000 Rio, sailing 2nd half February; per s.s. Annie Johnson, 41,000 Santos and 25,000 Rio, sailing beginning March; per s.s. Axel Johnson, 28,000 Santos and 11,000 Rio, sailing March; per s.s. K. Margareta, 30,000 Santos and 12,000 Rio, sailing March; 186,000 bags in all.

For Italy, per s.s. Toscana, 6,500 and s.s. Indiana 5,000 bags sailing February; per s.s. Louisiana 4,000 and per s.s. Stromboli 5,000 bags sailing March.

For Spain, per s.s. Leon XIII, 1,500 bags, 2nd half February, at 150 fis. and 10 per cent.

Two Greek steamers were offered for Sweden, but were refused as too dangerous.

There is some enquiry for New Orleans and New York from Rio and Victoria, but rates asked by owners are too high.

No regular boats at all are in sight for New York; possibly there may be a Prince Liner in the course of a month, but with wheat fetching 180s. and 5 per cent for Liverpool and 205s. and 5 per cent. London, the one dollar rate for New York is not enticing. In fact we hear that the Lamport and Holt Line have refused to consider anything under 2 dollars per bag for New York.

Ships whose Cargoes, or part of same have been detained in British ports since December 3rd:—

Erviken, Norwegian s.s., at Sharpness, with 43,000 bags coffee.
Kronprins Gustaf, Swedish s.s., at Greenock, with 92,000 bags.
Parana, Brazilian s.s., at Leith, with 91,000 bags coffee.
Rio Branco, Brazilian s.s., at Bristol, with 41,000 bags coffee.
Kronprinsessan Margareta, Swedish s.s., at Lerwick, with 95,000 bags coffee.

The Freight Market. The Brazilian market has ruled somewhat quieter, wheat not having arrived as rapidly or as abundantly as anticipated. We quote as follows:—B. A. to Florianopolis \$5; to Rio de Janeiro and Santos, \$5.50; to Antonina, Paranaguá, Rio Grande and San Francisco, \$6.50; to Pelotas and P. Alegre, \$8, with 50 cents for up-river loading.—The Times of Argentina.

Our correspondent writes from Pernambuco:—As you are aware, steamers with cargo for different ports are apt to overcarry cargo on occasion and land a few packages at the first port. No national steamers will now receive these parcels alleging strict orders at the respective head office not to accept cargo of this sort or indeed any subject to customs duties. This is hard on the steamship owners and still harder on consignees of the cargo. Packages of cargo belonging to this port (Pernambuco) have been lying at Bahia for over a month, to my knowledge, and there seems no way of getting them back. Why a line like the Lloyd Brasileiro owned and worked by the Government should act in this way is incomprehensible. In all probability the foreign steamers will be fined for nondelivery of cargo which they have decided cannot be returned to its destination in either foreign or national bottoms. With tonnage getting scarcer and scarcer, such treatment does not seem likely to attract foreign steamers, whose only object is to carry out their contracts in obedience to the principles of the laws that never could have contemplated such a deadlock.

VESSELS ARRIVING AT THE PORT OF RIO DE JANEIRO

During the week ending January 20th, 1916.

Jan. 14.—FRISIA, Dutch s.s. 4508 tons, from Amsterdam
14.—SEARA, Brazilian s.s. 2078 tons, from Manaus
14.—THESSALY, British s.s. 1918 tons, from Rosario
14.—ORISSA, British s.s. 3262 tons, from Callao
14.—EGYPTIAN TRANSPORT, British s.s. 2923 tons, from Callao
14.—ANNA, Brazilian s.s. 364 tons, from Laguna
14.—ITAJUBA, Brazilian s.s. 937 tons, from Porto Alegre
14.—ITAQUI, Brazilian s.s. 512 tons, from Porto Alegre
15.—CAVOUR, British s.s. 3151 tons, from B. Aires
15.—PIRANGY, Brazilian s.s. 750 tons, from B. Aires
15.—MURTINHO, Brazilian s.s. 511 tons, from Paranaguá
15.—COFOVIA, British s.s. 2527 tons, from Bahia Blanca
15.—ACRE, Brazilian s.s. 1555 tons, from New York
15.—PEBO, Italian s.s. 1764 tons, from Genoa
16.—MUCURY, Brazilian s.s. 1402 tons, from Santos
16.—TAITIBA, Brazilian s.s. 717 tons, from Aracaju
17.—LIGER, French s.s. 3531 tons, from B. Aires
17.—S. PAULO, Brazilian s.s. 2213 tons, from Santos
17.—TEIXEIRINHA, Brazilian s.s. 257 tons, from S. Mathieu
17.—HUDSON, French s.s. 3524 tons, from B. Aires
17.—CAMOENS, British s.s. 2640 tons, from B. Aires
17.—OCEAN, Norwegian s.s. 2018 tons, from S. Jorge
17.—P. DE SATRUSTEGUI, Spanish s.s. 2718 tons, from B. Aires
17.—T. DI SAVOIA, Italian s.s. 4895 tons, from B. Aires
18.—ITAGIBA, Brazilian s.s. 1221 tons, from Natal
18.—FREDA, Norwegian s.s. 197 tons, from N. Orleans
18.—HILADELPHIA, Brazilian s.s. 359 tons, from Caravellas
19.—BORBOREMA, Brazilian s.s. 1082 tons, from A. Branca
19.—PARANA, French s.s. 3862 tons, from Santos
19.—CARANGOLA, Brazilian s.s. 258 tons, from S. J. da Barra
19.—NUCERIA, British s.s. 2872 tons, from Cardiff
15.—ARAGUAYA, British s.s. 6634 tons, from B. Aires

VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO

During the week ending January 20th, 1916.

Jan. 14.—ORISSA, British s.s. 3262 tons, for Liverpool
14.—FRISIA, Dutch s.s. 4508 tons, for B. Aires
14.—THESSALY, British s.s. 1918 tons, for S. Vicente
15.—CAVOUR, British s.s. 3151 tons, for Liverpool
15.—KIBERGEN, Dutch s.s. 2953 tons, for New York
15.—TRELOSKE, Dutch s.s. 1976 tons, for New York
15.—TAMOYO, Brazilian s.s. 60 tons, for Santos
15.—EUPHILL, British s.s. 1500 tons, for Durban
15.—EGYPTIAN TRANSPORT, British s.s. 2923 tons, for Marseilles
15.—ITAPUHY, Brazilian s.s. 1230 tons, for Recife
16.—ITALIYA, Brazilian s.s. 707 tons, for Aracaju
16.—MAYRINK, Brazilian s.s. 375 tons, for Laguna
16.—RIO COLORADO, British s.s. 2237 tons, for Santos
16.—PIRANGY, Brazilian s.s. 750 tons, for Santos
16.—TUPY, Brazilian s.s. 1786 tons, for Santos
16.—TILUCA, Brazilian s.s. 1108 tons, for Pará
16.—PIAUNI, Brazilian s.s. 645 tons, for Camocim
16.—ASSU, Brazilian s.s. 925 tons, for Porto Alegre
16.—ITAQUERA, Brazilian s.s. 1254 tons, for Porto Alegre
17.—PARA, Brazilian s.s. 2097 tons, for Manaus
17.—MONTANAN, American s.s. 4054 tons, for Santos
17.—CAMOENS, British s.s. 2540 tons, for Liverpool
17.—OCEAN, Norwegian s.s. 2018 tons, for Falmouth
17.—LIGER, French s.s. 3531 tons, for Bordeaux
17.—P. DE SATRUSTEGUI, Spanish s.s. 2718 tons, for Bilbao
17.—SATURNNO, Brazilian s.s. 933 tons, for Montevideo
18.—ANNA, Brazilian s.s. 364 tons, for Laguna
18.—LORD DERBY, British s.s. 2401 tons, for S. Vicente
19.—S. PAULO, Brazilian s.s. 2213 tons, for New York
19.—ARAGUAYA, British s.s. 6634 tons, for Liverpool
19.—FINLAND, Russian barque, 1599 tons, for Baltimore
19.—INVERKEP, British s.s. 168 tons, for Corncel
19.—MURTINHO, Brazilian s.s. 511 tons, for Recife
19.—CAMPESTA, Brazilian s.s. 799 tons, for Rio Grande

VESSELS ARRIVING AT THE PORT OF SANTOS

During the week ending January 20th, 1916.

Jan. 13.—ANNA, Brazilian s.s. 247 tons, from Laguna
13.—A. JAUREQUIBERRY, French s.s. 3151 tons, from Havre
13.—PARANA, French s.s. 3862 tons, from Marseilles
14.—ITAPUCA, Brazilian s.s. 869 tons, from Pernambuco
14.—SERGIPE, Brazilian s.s. 820 tons, from Ceará
14.—PHIDIAS, British s.s. 3564 tons, from Manchester
15.—TENNISON, British s.s. 2531 tons, from New York
15.—FRISIA, Dutch s.s. 4508 tons, from Amsterdam
15.—LIGER, French s.s. 3530 tons, from B. Aires
16.—T. DI SAVOIA, Italian s.s. 4890 tons, from B. Aires
16.—EASTERN PRINCE, British s.s. 1789 tons, from B. Aires
16.—CADIZ, Spanish s.s. 3666 tons, from B. Aires
16.—P. DE SATRUSTEGUI, Spanish s.s. 2718 tons, from B. Aires
16.—TUPY, Brazilian s.s. 1102 tons, from Pará
16.—CAVOUR, Italian s.s. 3200 tons, from B. Aires
17.—ITAQUERA, Brazilian s.s. 925 tons, from Recife
17.—BOCOMMON, British s.s. 4730 tons, from Montevideo
18.—TAMOYO, Brazilian s.s. 60 tons, from Rio Grande
18.—ASSU, Brazilian s.s. 779 tons, from B. Aires
18.—SAVOIA, Italian s.s. 3099 tons, for Genoa
18.—ARAGUAYA, British s.s. 6634 tons, from B. Aires
18.—SATURNNO, Brazilian s.s. 933 tons, from Rio Grande
18.—PIRANGY, Brazilian s.s. 750 tons, from Pernambuco

VESSELS SAILING FROM THE PORT OF SANTOS

During the week ending January 20th, 1916.

Jan. 13.—ANNA, Brazilian s.s. 247 tons, from Laguna
13.—NORMANBY, British s.s. 2509 tons, for B. Blanca
14.—BENJAMIN, Argentine s.s. 658 tons, for Paranaguá
14.—ITAPUCA, Brazilian s.s. 869 tons, for Pernambuco
14.—A. JAUREQUIBERRY, French s.s. 3151 tons, for B. Aires
15.—MUCURY, Brazilian s.s. 585 tons, for Manaus
15.—TENNISON, British s.s. 2531 tons, for B. Aires
15.—FRISIA, Dutch s.s. 4508 tons, for B. Aires
15.—STELLA POLARE, Italian s.s. 3507 tons, for Genoa
15.—LIGER, French s.s. 3530 tons, for Bordeaux

- 16.—T. DI SAVOIA, Italian s.s. 4295 tons, for Genoa
 16.—S. PAULO, Brazilian s.s. 1487 tons, for New York
 16.—CADIZ, Spanish s.s. 568 tons, for Barcelona
 16.—P. DE SATEUSTEGUI, Spanish s.s. 2744 tons, for Bilbao
 17.—CAVOUR, Italian s.s. 3200 tons, for Genoa
 17.—ITAQUERA, Brazilian s.s. 926 tons, for Porto Alegre
 18.—PARANA, French s.s. 3661 tons, for Marseilles
 18.—SAVOIA, Italian s.s. 3959 tons, for B. Aires
 18.—SATURNO, Brazilian s.s. 515 tons, for Montevideo
 18.—ARAGUAYA, British s.s. 6634 tons, for Liverpool
 18.—TOMOYO, Brazilian s.s. 60 tons, for Cabo Frio

The Week's Official War News

The following official communiqués have been received by His Majesty's Minister from His Majesty's Chief Secretary of State for Foreign Affairs:

London, January 18th, 1916.

Upon enquiry in official circles, I have received the following expression of opinion upon the German notes respecting the "Baralong":

1. The Germans claim that their army and navy have observed during the present war principles of international law and that the German authorities take care that all violations will be carefully investigated and punished.

Some surprise is expressed that the nation whose armed forces have been responsible for the sack of Lovain, the murder of hundreds of unoffending men, women and children on the "Lusitania" and other ships, the execution of Miss Cavell, the introduction of poisonous gases, poisoning of wells, attempted torpedoing of hospital ships and countless other atrocities, should describe their methods of warfare as humane. It is further pointed out that it would be interesting to know how many German subjects, if any, have been punished for these atrocities.

2. The Germans claim that the "Arabic" was torpedoed because the commander of the submarine had the conviction that the "Arabic" was about to ram the submarine. The true facts are that the "Arabic" was deliberately sunk by a German submarine without warning and she neither attempted to attack the submarine nor to escape from it.

3. With regard to the destruction of the British submarine E 13 in Danish waters by German torpedo-boat destroyers, it is claimed that it came to a fight between both war vessels and that the submarine defended itself by gunfire. The true facts are as follows:—The Germans found the submarine stranded in neutral waters, incapable of either offense or defense; the German destroyer fired a torpedo at E 13 and the torpedo exploded close to her; at the same moment the German destroyer fired with all her guns and the commander of E 13, whose submarine was afire fore and aft, and who was unable to defend himself owing to being aground, gave orders to the crew to abandon her. While the men were in the water they were fired on by machine guns and with shrapnel.

4. The Germans defend their action in the case of the "Ruel" on the ground that it was a measure of reprisals in accordance with measures announced by the German Government in Feb., 1915. It is claimed that these reprisals were legitimate owing to the action of Great Britain in attempting to cut off from Germany all imports and to starve the German people. The Germans thus maintain that their submarine policy is a consequence of the British measures against German trade. This is, of course, quite untrue, the exact opposite being the case. As far back as December, 1914, Admiral von Tirpitz foreshadowed the submarine blockade of Great Britain, and submarine attacks were made on a merchant ship and a hospital ship on January 30th and on February 1st respectively. Moreover as far back as September, 1914, a Dutch ship with a cargo of grain for Dublin and Belfast was sunk by the "Karlsruhe" and the American ship "W. P. Frye" was similarly sunk on January 28th. Further on February 4th the German Government declared their intention of instituting a general blockade of Great Britain and Ireland with the avowed purpose of cutting off all supplies from these islands and this blockade was put into effect on February 18th. It was only on March 11th that the British Government put into force as a means of reprisals, measures against German trade, which the German Government has tried to maintain as the cause of their submarine policy.

5. The Germans maintain that in cases of the "Arabic," E 13 and "Ruel" the only justifiable action of hostile ships and not wise at the destruction of helpless persons. The death roll of these ships is as follows:—

as they were swimming ashore after abandoning E 13 and the firing on the crew of the "Ruel," who were attempting to save themselves in their boats, sufficiently answer this question.

6. With regard to the German refusal to submit the "Baralong" case and the three cases put forward by the British Government to the investigation of an impartial neutral tribunal, this action seems hard to explain, if the Germans are really convinced, as they say they are, of the guilt of the British commander and the innocence of the perpetrators of the three outrages cited by the British Government. So far as Great Britain is concerned, it is entirely untrue to state that the British Government have left unfulfilled the just demand for investigation; they have proposed it and it is the Germans who have rejected it, doubtless because they know full well that the cases in which they are defendants would be decided against them by any impartial tribunal.

London, 20th January, 1916.

Discussing the Mediterranean position and German designs in the Near East, Anglo-French critics comment on the proved importance in this war of the possession of interior lines. The configuration of the coast and monopoly of sea communications favour the Allies, while the Central Powers' possession of exterior lines is rendered worse by the existence of only one railway, still incomplete. Any campaign in Syria, Egypt or the Balkans must be secondary to the contest in Europe, but where these are concerned the German outlook is gloomy.

No further movement is reported at Salonika, but more bridges have been destroyed in conformity with the process of strengthening the Allies' position.

No change on western front. The long range firing of the Anglo-French gigantic guns is an interesting feature of the communiqués. This is totally different to the German blind bombardment of Nancy and Dunkirk as the Allies fire had the military value of effectively interrupting the German lines of communication, while the guns being mobile, the Germans could not spot and smash them as the British did the German gun at Dunkirk.

The check to the German attack in Champagne has been completed with heavy loss, as at one point the Germans were exposed to full sweep of the French artillery. The whole move, though conducted by three divisions may be reckoned as one of those tactical offensives the enemy is compelled to make if he is to retain his line.

The Italians have reoccupied trenches outside Olavia, showing the Austrian inability to hold even a short captured section more than a few days against a counter-offensive. Along the whole front Austria hangs on with the minimum number of troops, but the best she has. This gamble on a short war drains Austrian man-power, owing to the excellence of Italian artillery backed by intensive mechanical power of modern Lombardy.

It is significant that Russian civil authorities have returned to Dwinsk. Caution against expecting dramatic military events from the Russian advance on Bukovina have been justified, but strategically it has relieved the Balkan pressure and tactically cleared the Austrians from the east bank of the Strya, established a firm bridgehead at Chortorysk and occupied the hills overlooking Cernowitz. Thus a straight line has been established north and south from the Pripiet to the Roumanian frontier.

The Turks admit a serious reverse on the Caucasian front, where the Russians have driven them back in panic some twenty miles and reached a spot thirty miles from the Turkish headquarters at Erzerum. The Shah has conferred decorations on Russian officers in Persia, thereby indicating that the game is up for Germany so far as the Persians are concerned.

On the Syrian front an air reconnaissance from Egypt indicates no railway work yet begun by Germany in the desert at Tetih. In Mesopotamia, despite the terrible weather General Kymmer has driven the Turks twenty-five miles and is now seven miles from Townshend's force at Kutelamara, facing the Turks entrenched. British Egyptian troops have dispersed an Arab force on the west boundary, capturing 100 camels, sheep and goats. Further disturbances are not expected.

The shipment of Serbian forces to Corfu is proceeding. The German losses to date amount to 5,338 men. Mr. M. Briand and Thomas, with a large military and naval suite, are attending a war conference in London. There is great rally in Parliament and the country in support of the Allies.

port of the Compulsory Service Bill, whose passing is now a question of only a few days.

Official statistics show that London dock developments during the past year are greater than in any previous period. Besides the new deep water dock, vast extensions have been concluded, including sheds covering an area of 479,000 square feet.

Lord Bryce has received a telegram from Erivan saying:—"Refugees just arrived from Mush state that in answer to the Government amnesty, 1,500 Sassoon Armenians, forced by cold and hunger, surrendered to the authorities at the end of November. By order of the Governor of Mush, men were massacred and women and children drowned in the Euphrates."

The von Papen papers seized at an English port on arrival establish the extension of payments of German rents in the United States, including a large sum shortly before the Seattle explosion, to the German Consul at Seattle.

Great excitement has been aroused in Switzerland by the announcement that two high officials of the general staff have been accused of communicating confidential information to Germany.

The Swedish colony in London are equipping a hospital for the wounded English soldiers.

London, 21st January, 1916.

"The Times" correspondent at Salonika reports that the examination of the enemy consulate's archives is still incomplete and is likely to last a long time owing to the mass of documents found there. Among the documents found at the Consulate of His Catholic and Apostolic Majesty of Austria are 1,500 copies of a long Arabic proclamation to the chiefs of Senussi, inciting them to a Holy War on Non-Germanic Christendom. They were found in a sealed parcel addressed to the Austrian military attaché at Athens. The proclamation contains the following words:—"Of all the instruments which Allah has chosen for the protection of our religion the surest is the German nation. In these circumstances, we have realised the imperious necessity of proclaiming a Holy War. In the region of Northern Africa the most powerful ruler and the one possessing the most authority in the Musselman world is His Excellency the Imaum, the illustrious and exemplar champion of Islam in the cause of Allah, who is our Lord and Master and the sure guide of all the elect. This leader is bred in the truth of the Koranic Law and his soul, shining with its pure effulgence, has undertaken the task of purifying all corrupt souls and directing them in the paths of life revealed by the Holy Book given to all Musselmans."

There is evidence that this proclamation was produced in Germany, the country whose monarch is always invoking God.

London, 21st January, 1916.

The distinguished Belgian Jesuit, Father Benusse, lately received by the Holy Father, has given the following account of his audience on returning to his duties as Belgian Army chaplain:—"The Pope told me and told me to repeat it along the trenches to the men, to the officers and even to the King himself, that he considers Belgium has the right to complete reparation from Germany and that he will never consent to offer his good offices for the re-establishment of peace, unless Belgium has all her territories in Europe and Africa restored to her with plenitude of her liberties and of her international rights as they existed before the war and this without prejudice to her claim for an adequate indemnity to be fixed after a minute enquiry and inventory of all the public monuments destroyed and after the rebuilding of the factories and private houses and the restitution of all private property."

London, 24th January, 1916.

Sir Percy Lake reports that an armistice was concluded for a few hours on the 22nd for the removal of the wounded and the burial of the dead. During the last 48 hours the Tigris had risen 7 feet at Kut and 2½ feet at Amirah and prevented all movements of troops by land. General Townshend reports that he has sufficient supplies and that his troops have not been further engaged.

His Majesty's Minister has received the following resumé of press opinions in neutral and enemy countries dealing with the financial and economic situation in Germany.

London, 24th January, 1916.

The "Vorwärts" of 11th January quotes an article from the National Liberal "Magdeburgische Zeitung" on extravagance and the coming fall in the standard of living. The new era of famine approaching and the gigantic taxes threatening Germany will compel large classes to reduce their scale of living all round. Unless they do, the coming epoch of famine is bound to lead to civil dissensions and civil disturbances. As a result of an inventory of grain in Germany, the Imperial Corn Office, according to the "Berliner Tageblatt" of the 11th January, has decided to tighten the regulations governing the distribution of flour and to return to the standard rations exercised last spring. To bring home to the population the seriousness of the situation, an inspired message was issued to the newspapers by the Imperial Corn Office urging the absolute need of economy in consumption of bread, and incidentally complaining that on the eve of meatless days, many people make meat purchases to last over the meatless interval. This is described as a lack of the iron will and the determined spirit of sacrifice which each citizen should cultivate, it being a patriotic duty to eat as little bread as possible. Throughout the appeal evidence is shown of real anxiety and the newspapers drive home the lesson with all the power possible. The "Frankfurter Zeitung," of 11th January, warmly lauds the potato bread eating spirit being held up as an ideal to be maintained until the last day of the war. The "Deutscher Reichsanzeiger," of 8th January, publishes an order restricting the industrial use of animal and vegetable oils and fats in Germany, the order providing that no butter, clarified butter, margarine, artificial fats or lard be used for technical purposes otherwise than the production of food and that no animal or vegetable oils or fats be used for the production of soap or leather. "Die Zeit," of 9th January states that the union newspaper proprietors of Vienna and the provinces have resolved to reduce the size of their papers within the narrowest possible limits. In view of the increasing dearth and high prices of paper and the need of providing against serious economic disturbance, such a measure is declared to be a patriotic duty at the present time. The union has further resolved to take all possible steps against unjustifiable further rises in the price of paper. The "Neue Zürcher Zeitung" of January 10th, states that the municipal milk bureau at Mulhausen, which imported milk from Switzerland, hitherto has been working at a great loss, being obliged to sell milk under cost price, showing a deficit on 1st October, 1915, of 59,475 marks.

The dearth of rubber is making itself felt in Austria, according to "Die Zeit," of 9th January, an extreme scarcity of elastic bands existing. Elastic thread has increased from 15 to 90 or 100 kronen per hundred kilogrammes. The "Nieuwe Rotterdamse Courant" and the "Algemeen Handelsblad" of 13th January, point out that the unfavourable economic conditions in Germany are daily getting worse, now driving Dutch working class families living in Germany back over the frontier to Holland. According to their reports they had to suffer severe privations and are entirely without means of subsistence. Thousands of Dutch subjects are still living in Westphalia, who will shortly be driven by hunger to seek refuge in their native country.

The enemy press publishes an excited discussion of the means for improving the foreign exchanges.

Regarding the present serious crisis, the "Pester Lloyd," of 8th January, says that it is widely thought that many German importers, anticipating that the war would be over before the end of 1915, arranged to meet their liabilities to foreign sellers in January, 1916, hence the exaggerated demand for foreign means of payment. A good deal of weight is ascribed to enemy attempts to rig exchanges by buying foreign paper in Berlin and selling German paper abroad, but the ultimate cause is always regarded as the cessation of trade with the outside world owing to the blockade.