

Mailman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 3

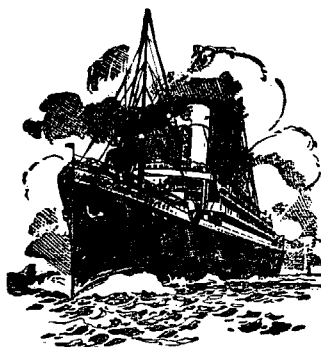
RIO DE JANEIRO, TUESDAY, February 8th, 1916

N. 6

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DESEADO.....	1st March	ORITA.....	6th April
AMAZON.....	1st ..	DENIERARA.....	14th ..
VICTORIA.....	9th ..	MEXICO.....	4th May
DARRO.....	10th ..	DESEADO.....	5th ..
DESNA.....	11th ..	AMAZON.....	10th ..

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- 9.40 Mixed—Friburgo and Cantagallo, week days only.
- 15.35 Passeio—Friburgo, Saturdays and when announced.
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- 6.00 Express—Petropolis, Entre Rios, Ubá, Pente Nova, Forte Novo, Cataguazes, Santa Luzia and branch lines, daily.
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- 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.
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Petropolis—2,700 feet above sea level, magnificent climate, beautiful views during trip; 1 hour, 40 minutes. 1st class return, 4\$800. Stone ballast, no dust. 7 trains per day.

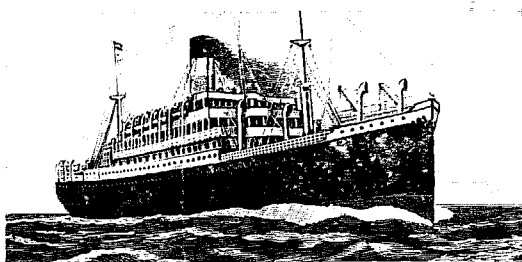
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Vauban..... 21st, March
Vasari..... 4th, April
Verdi..... 18th, »



Byron..... 2nd May
Vestris..... 16th »
Voltaire..... 30th »
Vauban..... 13th June

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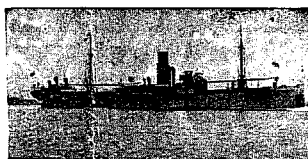
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LUIZ CAMPOS — 84, Rua Visconde Inhauma, 84

Wileman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL 3

RIO DE JANEIRO, TUESDAY, February 8th, 1916

No. 6

THE RIO DE JANEIRO FLOUR MILLS & GRANARIES LIMITED.

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

DAILY PRODUCTION: 15.000 BAGS.

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450 LOOMS.

DAILY PRODUCTION 27.000 METRES.

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The Mill's marks of flour are:-

"NACIONAL"

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"BRAZILEIRA"

"BUDA-NACIONAL"

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Capital Paid up.....	862,500
Reserve Fund.....	100,000

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São Paulo—

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MAIL FIXTURES**FOR EUROPE.**

- Feb. 9.—TUBANTIA, Holland Lloyd, for Amsterdam
 „ 10.—ORONSA, P.S.N.C., for Liverpool.
 Mar. 7.—DESEADO, Royal Mail, for Liverpool.

FOR RIVER PLATE AND PACIFIC.

- Feb. 9.—VOLTAIRE, Lamport and Holt, for River Plate.
 „ 16.—DESEADO, Royal Mail, for River Plate.
 „ 17.—ORITA(P.S.N.C., for River Plate and Pacific
 „ 18.—AMAZON, Royal Mail, for River Plate.

FOR THE UNITED STATES.

- Feb. 22.—VESTRIS, Lamport and Holt, 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

Bound Volumes of "Wileman's Brazilian Review,"
No. 1, January-June, and No. 2, July-December, 1915,
with their respective indices, can be now ordered.

Trading With the Enemy. The following is a draft of the Bill to provide for the extension of the restrictions relating to trading with the Enemy to Persons to whom, though not resident or carrying on business in Enemy Territory, it is by reason of their Enemy Nationality or Enemy Associations expedient to extend such Restrictions:—

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal and Commons, in this same Parliament assembled, and by the authority of the same, as follows:—

Power to Prohibit Trading with Persons of Enemy Nationality.

1.—His Majesty may by Proclamation prohibit all persons resident, carrying on business, or being in the United Kingdom from trading with any persons or bodies of persons not resident or carrying on business in enemy territory or in territory in the occupation of the enemy wherever, by reason of the enemy nationality or enemy association of such person or bodies of persons, it appears to His Majesty expedient so to do, and if any person acts in contravention of any such Proclamation he shall be guilty of a misdemeanour triable and punishable in like manner as the offence of trading with the enemy.

2.—Any list of persons or bodies with whom such trading is prohibited by a proclamation under this Act may be varied or added to by an Order made by the Lords of the Council on the recommendation of a Secretary of State.

3.—The provisions of the Trading with the Enemy Acts, 1914 and 1915, and all other enactments relating to trading with the enemy, shall, subject to such exceptions and adaptations as may be prescribed by Order in Council, apply in respect of such persons and bodies of persons as aforesaid as if for references therein to trading with the enemy there were substituted references to such persons and bodies of persons as aforesaid, and for references to offences under the Trading with the Enemy Acts, 1914 and 1915, or any of those Acts, there were substituted references to offences under this Act.

4.—For the purposes of this Act a person shall be deemed to have traded with a person or body of persons to whom a Proclamation issued under this Act applies, if he enters into any transaction or does any act with, to, on behalf of, or for the benefit of, such a person or body of persons which if entered into or done with, to, on behalf of, or for the benefit of, an enemy would be trading with the enemy.

By the original enactment, the "enemy" was defined as any person or body of persons resident or carrying on business in enemy territory or in territory in occupation of the enemy.

The aim of the bill now before Parliament would seem to extend that definition to persons or firms of enemy nationality and their associates resident or carrying on business in countries outside enemy jurisdiction, inclusive, it is to be presumed, of Gt. Britain itself, when judged expedient and to make such trading a punishable offence.

Stripped of its verbiage, the above bill empowers the British Government to blacklist any person or firm within the United Kingdom, if judged expedient, as also any person or firm in or out of the United Kingdom associated in such transactions and to make it a misdemeanour for any person in the United Kingdom to have dealings with enemy subjects anywhere.

What the Bill fails to define is the precise status of British subjects in neutral countries and whether trading by them with enemy subjects in such countries would make them liable to the same penalties stipulated in the case of residents or firms in the United Kingdom?

Trading between British and Enemy subjects in neutral countries not being apparently forbidden, might the sale of goods in this country to enemy subjects be interpreted as association

with enemy trading and, in case of seizure of the goods, subject the British firm in this country, for example, to the penalties it would involve?

Again, simple association with the enemy in a business transaction on the part of a neutral in a neutral country could alone scarcely be considered a motive for blacklisting unless it could be distinctly shown that such a person or firm was deliberately acting as a cloak for transactions of enemy subjects. Otherwise all the planters and dealers of the country who sold any coffee to Germans would be liable to be blacklisted.

In any case to enforce penalties, British subjects, whether here or elsewhere, must necessarily be forewarned as to the persons or firms they are forbidden to deal with, as otherwise the law would be a dead letter. It is therefore to be presumed that black lists will be published.

To blacklist some and let others escape would not only be unjust but defeat the end in view. To secure uniformity some definite method, it is to be presumed, will be adopted, the simplest being to make the declaration of the ultimate consignee obligatory in all bills of lading incoming and outgoing, not excepting those "to order." At present, we understand, that it is customary not to specify the consignee in case of the bill being purchased by a London bank.

In this manner a complete list of all importing and exporting enemy firms still dealing with British firms could be drawn up and one and the other be blacklisted if expedient, for each separate country.

As regards neutral firms suspected of serving as intermediaries for the enemy in connexion with British trade, some proof of connivance would be requisite, but should not be difficult to obtain.

Nothing, not even absolute prohibition of trading between British and Enemy subjects in neutral countries would stop indirect trading entirely; but every impediment put in its way must make it more difficult and risky for the enemy, curtail their capacity to afford aid and comfort to their own people whilst enhancing our own. Blacklisting would not be obligatory but optional, and, if, in some cases, like the United States, the difficulty in distinguishing between German and neutral traders proved insuperable, such countries might be excepted.

But once adopted for any particular country, as in the case of South Africa, Siam, and China, the rule should be general and no enemy trader within the respective circumscription should be allowed to escape.

It is possible that in some cases British trade might suffer for a time from blacklisting of enemy customers and that the injury inflicted on the trade of the respective country might bring forth a protest, but in the long run if British goods are required and British commerce stands in need of neutral goods, means will be unquestionably found for exchange without the intervention of Germans or any other enemy subjects.

The ostensible object of the bill is to prevent the enemy from getting any possible aid or comfort from even indirect trading with British subjects. Properly used, it likewise affords a unique opportunity to British merchants to usurp the trade of their enemies.

There are plenty of British subjects who still imagine that British trade in certain circumscriptions is dependent on German complacency and are willing and even anxious to sacrifice the reality for the shadow.

To defeat Germany there can be no limit to the injury we should endeavour to inflict on her trade, as there is none to the sacrifices that the unprovoked aggression of the enemy has imposed on the Empire at large!

Why, then, should trade regard itself as exempt and pretend that imperial interests are injured because some private interests suffer?

We yet trust to see the law prohibiting any trading whatsoever with the enemy made absolute everywhere!

—As a drowning man clinging to a straw, the German Government has seized upon the "Baralong" incident to turn attention from the crimes of its sea forces and accuses the British Navy of having countenanced the murder of the crew of a German submarine captured by the "Baralong." The accusation is based upon

the affidavits of some black muleteers carried by the Leyland liner Nicosian, which escaped destruction through the timely arrival of the "Baralong." From what we know of the British Navy and its traditions, we are not inclined to believe that any act of inhumanity committed by its members would remain unpunished and the offer of Sir Edward Grey to have the affair investigated by a committee of American naval officers, provided the German Government will submit to investigation by the same committee of inhuman deeds committed concurrently as the act complained of, strikes one as fair and equitable. The German Government threatens reprisals in case the British Government does not implicitly accept the word of the ignorant blacks who made the affidavits and punish the crew of the "Baralong," but in view of what the German Navy has already been guilty of on the high seas, it is permitted to ask what form these reprisals will take? Will it be keel-hawling, yard arm hanging, tricing up by the toes head downward, or any other form of torture used by the pirates of old? Even the Barbary pirates did not murder people at sea for the sport of it. They made them prisoners and sold them into slavery, letting them escape when there was no chance of taking them to market. It has remained for the school of von Tirpitz to murder women, babies and men on vessels that German warships could not capture and as long as our present civilisation exists, history will record that the foulest crimes of the ages committed at sea were perpetrated under the white and black flag of the Imperial German Navy. We are asked to believe that the British Admiralty countenanced the murdering of naval seamen by the crew of the "Baralong," but we know that Germany was the instigator of the form of sadism that found its climax in the firing of shots at the "Ancona," after that vessel had come to a stop and when her boats were being lowered. The world will not be hoodwinked by pettifogism when the safety of human life is concerned. Bring the crew of the "Baralong" to the bar for investigation, with Tirpitz and his marine butchers as co-defendants, if the ends of justice are to be served and the world will accept the verdict.—"Shipping Illustrated," January 8th, 1916.

Patriotic League of Britons Overseas, Rio de Janeiro Branch.
Statement for January, 1916:—

	Donations	Subscriptions	Belgian Fd.
To 31st December, 1915.	£773 17 0	681 5 3	17 17 0
January, 1916	—	74 6 5	—
	£773 17 0	755 11 8	17 17 0
Prince of Wales' Fund.	152 9 8	333 1 2	—
January, 1916	—	24 1 10	—
	4926 6 8	1,112 14 8	17 17 0
Rio de Janeiro, 1st February, 1916. F. S. Pryor, Hon. Treasurer.			

The Patriotic League. Either there must be precious little cash and less patriotism amongst the 3,000,000 Britons oversea, if they could not do better, on an average, than contribute seven pence ha'penny to the building of a dreadnought to cost £3,000,000! By economising on their luxuries, drinks, cigars, or pin money, surely there can be few Britons in these countries sequestered from war's alarms, who could not in the course of a twelvemonth screw a pound together! *Prô Pudur!*

Resentment, says Lervy Beaulieu, does not last very long in human relations: the enemies of to-day may be the customers of to-morrow. But if we know anything of human nature the supreme test that has emperiled the lives of twenty million men and ruined half the world will "not leave everything as it was before."

England was Germany's best customer before the war and though it is possible that English commercial classes may be willing for the sake of trade to overlook Zeppelins, submarines, spies, gas, Belgium, the Lusitania, Arabia, Persia and Edith Cavell, not so with others. England has added enormously to her factories and

will be independent of Germany as to manufactures, whilst sugar, wood, eggs, ores and whatever can be supplied by Russia as soon as that country's preferential tariff with Germany is done away with.

Compensations. Not all the money spent by the nations on war materials, says the "Wall Street Journal," goes up in smoke. Nine-tenths of the proceeds of war loans go for commercial purposes—food, uniforms, horses, cotton, clothing, gasoline, saddlery, shoes, motor cars, houses, bridge and road materials, belts, harness, hats, drugs, fences, engineering tools, workshops, ores, pontoons, railway cars and engines, airships, signals, soldiers' pay and allowances to families, etc., and this money goes back into the pockets of those who keep the national war chests supplied—manufacturers, farmers, business men and artisans. It is largely economic redistribution of hoarded wealth. The machinery, for example, erected at such a vast cost for turning out ammunition during the war, will certainly be utilised when peace comes for peaceful purposes and help to put Great Britain in the vanguard of manufacturing peoples.

—Whilst, if German accounts are to be trusted, synthetic rubber, scientific wool, food from sawdust and fats from sewage, explosives from the sky and cotton from willow wood are practical propositions, real cotton at Bremen has advanced to 40 cents and rubber to \$10 dols. per lb.!

Before cotton was placed on the contraband list, says the "Wall Street Journal," Germany in the 1914-15 season secured approximately 250,000 bales, her normal imports from U.S.A. being ten times as much. Scandinavian countries probably gave her a million bags. Austria perhaps got some from Italy before she went to war. But in spite of all Germany has turned rag picker!

The Limit! Eating, as Germans say, may be a necessary evil, but how evil can only be gauged by the fact that they are now using fats obtained from what, not to turn our stomachs, we will call the "unmentionable waste of German cities!"

Fresh Fall in German Exchange. The proof that the countries in physical touch with Germany are pretty well saturated with German paper currency is that exchanges in such countries are lower even than with New York, where by 5th January it had dropped to 74½ and at Geneva to 9.50 or 50 per cent. below. Austrian exchange is in a worse condition still at 50 per cent. discount. There is only one way by which collapse can be prevented and that is to imitate England's example and let go the gold that the Reichsbank clings to so tenaciously, apparently under the delusion that it will serve as a basis for renewal of foreign trade when peace is declared. What seems more likely than anything else to bring the war to a close is the economic pressure exercised by the Allies and the enormous cost of everything imported into Germany.

There is no doubt that Germany is being liberally supplied by neutral countries nor that she has to pay exorbitantly for it. As exchanges drop the price of all imported commodities will rise and become progressively prohibitive and one by one drop out of the list. When no further commodities can be imported and Germany has to depend exclusively on her own production, though exchange might cease to drop, the uneasiness that the rise in the cost of living is causing will reach explosive point.

It seems impossible for Germany to hold out much longer against economic pressure without either starving nearly all its population or absolutely exhausting the stock of gold on which the Empire depends for renewal of raw materials when peace comes!

—The object of requisitioning vessels for the transport of wheat, cereals and meat, apart from the military requirements of the Allies, aims at the building up of reserves in Great Britain to

provide against possible scarcity and maintaining prices for consumers at a reasonable level. Left to themselves and the vagaries of speculators in the commodity and freight markets, prices in England would have soared much more even than they have and semi-starvation be facing a large section of the British public. It was to prevent such a disaster that first of all tonnage sufficient to transport grain and afterwards grain itself was requisitioned and maximum prices were thus fixed for both.

This, however, entirely upset the freight markets and the price of free tonnage rose, in consequence, to unheard of rates. When the requirements of Canada, the U.S.A. and Australia are satisfied, there will still remain the enormous Argentine crop available from March onwards and the Indian and Egyptian crops to be handled, which from all appearances will absorb most of the requisitioned tonnage for the rest of the year. Meanwhile fixing of a maximum rate for the tonnage requisitioned by the British Government has already brought its influence to bear on the prices of wheat in Buenos Aires. Freight rates have risen to fancy figures and as neither shippers nor owners will give way, wheat is being stored at Buenos Aires and tramp steamers seeking other ports, even in ballast, like West Coast, whose rates are still more remunerative.

On 19th Jan American wheat was quoted at 51s. per quarter f.o.b. or per ton £11 19 2
Jan. 11 freight from U.S. to U.K. ruled about per ton. 3 11 0

C.I.F. value U.K. £15 10 0

On same date, R. Plate wheat was quoted at 17s. 6d. to 17s. 10d. per 100 kilos or per ton about £9 0 0
Freight per ton 7 10 0

C.I.F. value U.K. £16 10 0

It would seem that f.o.b. prices at the Plate have still to come down considerably before parity in London with American wheat can be reached, but in the wheat business, it is a well known fact, that to buy wheat, close freight and sell c.i.f. would invariably show a loss. Hence only those who have cheaper freights, like the British Government, can buy, and market quotations are influenced by their action. We understand that for requisitioned ships £3 to £4 is paid by the British Government, which would bring down cost of delivery to below parity with American c.i.f. London.

ARE ECONOMIC CONDITIONS IMPROVING?

Development cannot be judged by the increase or decrease of a single year, but taken for periods of 5 years a fair idea can be formed of the progress of productive industries from the respective exports.

QUANTITY EXPORTED (in Tons of 1,000 Kilos).

	1905-09	1910-14	Difference	Inc. or Dec.
Cotton	97,319	110,442	13,123	+13.4%
Sugar	235,613	137,031	98,582	-41.8%
Rubber	184,075	187,143	3,068	+ 1.6%
Cocoa	137,396	165,169	27,773	+20.2%
Coffee	4,200,347	3,455,940	744,407	-17.7%
Hides	157,468	168,663	11,195	+ 7.1%
Tobacco	118,758	133,712	14,954	+12.6%
Skins	14,686	14,401	281	- 1.9%
Herva Matte	264,301	308,844	43,543	+16.4%
	5,410,963	4,681,345	729,618	-13.5%

VALUE IN CONTOS OF REIS CURRENCY.

	1905-09	1910-14	Difference	Inc. or Dec.
Cotton	82,355	106,583	24,238	+29.4%
Sugar	33,279	25,316	7,963	-23.1%
Rubber	1,144,261	1,114,022	30,239	- 2.6%
Cocoa	125,657	122,860	2,797	- 2.2%
Coffee	2,099,001	2,741,771	642,770	+30.6%
Hides	128,259	145,179	16,920	+13.2%
Tobacco	82,023	108,596	26,573	+32.2%
Herva Matte	125,127	153,054	27,927	+22.3%
Skins	52,167	51,312	855	- 1.6%
9 staples	3,872,129	4,568,694	696,565	+17.7%
Sundries	196,270	218,091	21,821	+11.0%
Total	4,068,399	4,786,785	718,386	+17.6%

VALUE IN £1,000.

	1905-09	1910-14	Difference	Inc. or Dec.
Cotton	5,347	7,081	1,734	+32.4%
Sugar	2,125	1,581	544	-25.5%
Rubber	72,872	73,236	364	- 0.4%
Cocoa	8,015	8,050	35	- 0.4%
Coffee	134,110	181,433	47,323	+35.3%
Hides	8,201	9,579	1,378	+16.8%
Tobacco	5,212	7,187	1,975	+37.9%
Herva Matte	8,022	10,070	2,048	+25.5%
Skins	3,319	3,381	38	+ 1.1%
9 staples	247,223	301,598	54,375	+29.1%
Sundries	12,536	14,357	1,821	+14.5%
Total	259,759	315,955	56,196	+21.6%
Cocoa	137,396	165,169	27,773	+20.2%

Compared with the previous quinquennium, production, judged by exports, shows a decline of 729,618 tons or 13.5 per cent. in volume, but increase of £54,375,000 or 29.1 per cent in sterling value, the shrinkage, measured by the real or currency standard by which all local exchanges are compared, being Rs. 696,565,000\$ or only 17.7 per cent., due to improvement in milreis exchange.

The importance of coffee in the national economy is evidenced by the fact that this staple alone accounted for 80.6 per cent. of the total volume of exports in the first quinquennium and 73.9 per cent. in the 2nd quinquennium.

Exclusive of coffee, the other eight great staples show, however, an increase in the aggregate of 14,789 tons or 1.2 per cent. and of £7,052,000 or 6.2 per cent. in sterling value.

Production in general declined and, though compensated to some extent by an increase in sterling value, comparison of exports in the aggregate shows that in the last quinquennium, though progress made have been registered in certain determined staples, the position in general, compared with 1905-1909, is poorer.

The fact that from 70 to 80 per cent. of the whole exports of the country came from the three coffee States, Rio, Minas and Victoria, show how insignificant a part the rest of the country plays as a producer of exports and why railways in that part of the country shows such superior results. What is wanted is not further railway extension, but that the lands on the already existing lines of communication should be developed as they have been in S. Paulo and to a less degree in Minas.

The great drawback to development is the deplorable system of taxation of exports, that the Constitution of the Republic assigned to the States, whilst reserving for the Union exclusive right to tax imports.

In a laxly organised political community, no system of taxation could be more open to abuse, with the result that rubber has been taxed to the verge of asphyxiation and almost every other export been so overloaded as to cease under normal circumstances to be profitable. Hence the anomaly of depreciation of the currency being hailed with enthusiasm by over-taxed industries.

Coffee is an exception. Owing to over-production prices had fallen below cost and it was necessary for a time to check production in order to give the industry a respite. Now that consumption has again overtaken production and the debt incurred for

valorisation is almost liquidated, taxes may be reduced and production be left to develop on normal lines.

Elsewhere, with the exception of Rio Grande do Sul, where there are no export duties, the future of production depends almost exclusively on the caprice of different State Governments, whose sole aspiration seems to be how much they can screw out of these contributors during their respective administrations. There are, of course, honourable exceptions, but they are few and even so liable to lapse with tenure of office.

Under such conditions, production and development must always be precarious and discouraging to the investment of foreign capital.

If being part of the country's political constitution it is impossible for the moment to do away altogether with taxation of exports, might it not be practicable to put some limit on state taxation by a self-denying ordinance forbidding any increase of duties in future?

When duties have reached 20 per cent. of their value, as is the case of rubber, it seems that some restriction of the right of taxation might be with advantage imposed.

Cotton. In volume this staple shows an increase of 13.4 per cent. in quantity and of 32.4 per cent. in sterling value.

Taxation is ad valorem, about 11 per cent. in Pernambuco, 11.7 per cent. in Alagoas and 8 per cent. in Bahia, the principal producing States. Brazilian cotton is much appreciated in certain European markets and, could any guarantee be given that duties would not be raised, there would be a very good field for expansion in the Northern States. In spite, however, of burdensome taxation, both local consumption and exports were growing steadily until 1913, when, in consequence of the financial crisis, local consumption fell off precipitately and in 1914 exports were further checked by the war. In 1915 the disastrous drought so curtailed production that it proved insufficient even for home consumption and prices rose to fantastic levels, whilst exports virtually ceased.

Sugar shows a shrinkage of 41.8 per cent. in volume and of 25 per cent. in sterling value.

For years, owing to defective methods of production and a mistaken fiscal policy, this industry, that might rival Cuba's, has been steadily losing ground.

Unable to compete on equal terms with other producers, the aim of sugar producers is to retain the home market at all cost for their own product. To that end prohibitive import duties have been imposed and, in spite of local shortage, are inexorably maintained by dumping surplus production on foreign markets. At present, in consequence of the late disastrous drought, production is insufficient to satisfy consumption and local prices have, in the absence of competition, been inordinately forced up to the prejudice, of course, of all Brazilian consumers.

The policy of maintaining prices at home by dumping abroad tends in the long run to impoverish consumers and defeat its own ends.

In Germany, even, it was abandoned as soon as the beetroot industry had become self-supporting. Here, from an economic point of view, it has proved disastrous, seeing that, after supplying home requirements, exports have steadily declined.

There might be some sense in the actual policy did the maintenance of higher prices at home tend really to stimulate enterprise and exports to foreign countries. But with no guarantee that directly foreign capital were induced to interest itself in the foreign trade, the actual policy might not be reversed and heavy duties be imposed on their turn on shipments to foreign countries for purely administrative purposes, foreign capital would, naturally, be chary of entering on so precarious a proposition.

In Pernambuco, the principal producing State, an export duty of 8 per cent. and 20 per cent. additional or 9.6 per cent. in all is levied on inter-state shipments, as against 2.2 per cent. on exports to foreign countries. At Bahia the duty is uniform, 4 per cent. all round. In Alagoas, 7.8 per cent., Paraná 4.4 per cent. and Santa Catharina. By the State of Rio 2½ per cent. is charged on all exports by the State and ditto by the Municipality of Campos.

Rubber is resilient and hard to kill and though the State Governments of Pará and Amazonas seem to have done their very best to choke it to death, it still survives and shows a very slight increase of 1.6 per cent. in quantity compared with the previous quinquennium and decrease of only 0.6 per cent. in sterling value,

meanwhile, under more enlightened treatment, the plantation industry has waxed until it overshadows the parent industry and threatens it with extinction.

If anything could point the moral of the folly of Brazilian methods of taxation of exports it certainly would be this industry.

There is no hope for the Brazilian rubber industry. It may drag on a precarious existence for a few years longer, but so long as the ruinous taxation is maintained there can be no radical improvement or development. Knock off duties and Brazilian rubber could compete with plantation on equal terms.

Lately there has been a slight reaction in rubber prices through a 'corner' in London and New York, but that is merely and accident and sooner or later prices must adapt themselves to the demand and supply.

Cocoa. Exports show an increase of 20.2 per cent. in quantity, but only 0.4 per cent. in sterling value, which shows that in spite of lower prices this industry has been able to compete with foreign competitors and not only hold its own but show considerable increase in spite of heavy export duties that in Bahia, the principal producing State, rule 17 per cent. ad valorem, 30 per cent. in Amazonas, 6 per cent. in Pará and 4 per cent. in Maranhão. If only Bahia would reduce its duties or at any rate undertake that in any case be augmented, the industry, perhaps the most promising in Brazil, might make extraordinary development.

There are two cocoa seasons in Bahia, the first May to July, termed "tempora," and the other or real season, October to Jan. As the figures show, since 1912 shipments increased very considerably and prices having risen with the war, the industry is actually very prosperous.

Coffee is the premier export of the country. It accounts for 7.4 per cent. of the volume of the nine great staples for which weights are specified and 58 per cent. of the total value of all exports by Brazil.

On the prosperity of the country at present depends. It is, therefore, not to be wondered at that the position of this great industry should be always a matter of deepest concern.

In 1906-07, with a gigantic—indeed, record crop to be placed, c. & f. value had fallen already below cost of production. To relieve the pressure and adjust supply to demand some millions of bags were taken off the market and fresh plantation was prohibited. Now that equilibrium has been reached, prohibition has been relaxed and there has been a good deal of fresh planting. It takes, however, some six years for coffee plants to come to maturity. This and the decline in production of the older areas due to exhaustion of the trees, explains the falling off of 17.7 per cent. in the volume of exports during the last quinquennium, which, however, was more than compensated by the increase of £47,323,000 or 35.5 per cent. in sterling value.

In S. Paulo the export duty on coffee is 9 per cent. plus five francs per bag for the service of the valorisation loans.

In Minas the tax is 8½ per cent. plus 5 francs, nominally for valorisation, but in reality devoted to purely administrative purposes.

As soon as the proceeds of the valorisation stocks, at present detained at Hamburg and Havre, are available, the coffee industry should be relieved of all but budgetary taxation and be free to develop on normal lines.

During the few years requisite to redress the balance between production and consumption, the latter has grown astonishingly so that unless upset by post-war conditions, the prospects of this industry would seem most promising.

Coffee has become a necessity of life for an immense number of consumers and howsoever other commodities may suffer after the war, this, at least, would seem to be likely to prove an exception.

There are still large areas of coffee lands available, the development of which under the consistent and prudent direction of the best governed State of the Union—S. Paulo—and its subsidiary industries should offer a fair field for investment of foreign capital.

The export duties in other States are: Pernambuco 4.8 per cent., Bahia 10 per cent., Paraná 30 per cent., and Santa Catharina 8 per cent., Espirito Santo 12½ per cent.

Hides. Exports show slight expansion of 11,195 tons or 7.1 per cent. in quantity and 16.8 per cent. in sterling value. The hide trade depends on the grazing industry to which just now

great attention is being paid. There seems no reason, with proper precautions, why cattle raising in this country should not rival that of Texas or Argentina.

Export dues: Manaos 20 per cent., Maranhão 124 reis per kilo, Pernambuco 18 per cent., Alagoas 13 per cent. Bahia 15 per cent., Parana 10 per cent., S. Catharina 10 per cent., Rio Grande do Sul 10.5 per cent. and Matto Grosso 6 per cent.

Tobacco exports show an increase of 12.6 per cent. during the quinquennium. The business side of the commodity had become a practical monopoly of Germans, who dominated the market. At the outbreak of the war this trade was absolutely paralysed, but there has been some recovery on the development of an independent market in France.

The duties on export are 15 per cent. ad valorem at Bahia, the chief producer; 8 per cent. S. Catharina, 4.8 per cent. Pernambuco, 4.1 per cent. Parana, and 4.2 per cent. Rio Grande do Sul.

Herba Matte is consumed chiefly in the Plate and Chile. It is a growing trade in spite of the efforts of the Argentine Government for protection of the home industry. Export duties rule 3.6 per cent. Rio Grande do Sul, 46 reis per kilo Parana and 20 reis per kilo Santa Catharina.

Skins. Large quantities of goat skins are exported from the Northern States. A slight decrease of 1.9 per cent. was registered in quantity during the last quinquennium.

Export duties are: Para 60 reis per kilo, Maranhão 240 reis Pernambuco 200 reis and 20 per cent., Alagoas 13 per cent., Bahia 16 per cent. and S. Catharina $\frac{1}{2}$ per cent.

Frozen Meat. This industry is just beginning to assume importance and so far seems to have escaped indirect taxation.

EXPORTS BY GREAT BRITAIN TO BRAZIL, OCTOBER, 1915.

QUANTITY.

	1913	1914	1915
Coal, tons	1,593,692	1,038,214	446,446
Oil (palm) tons	3,925	2,140	2,672
Iron, wrought tons	5,046	1,507	1,201
Wire, tons	1,153	1,201	402
Wire manufs. tons	504	244	173
Cutlery, cwts.	4,193	1,381	848
Hardware, tons	56,662	21,108	13,355
Cotton piece goods, yds.	83,715,800	30,435,400	24,671,300
Flags, H'chfs, etc. yds.	2,435,800	1,049,700	1,750,600
Woolen tissues manufs. yds.	1,801,400	860,900	378,500
Worsted ditto	614,600	282,300	155,300
Earthenware and glass, cwts.	323,286	155,204	61,427
Jute yarn, lbs.	13,276,000	9,236,900	11,554,300
Jute piece goods, yds.	680,000	71,300	62,800

VALUE IN STERLING.

	1913	1914	1915
Coal	£1,415,230	£ 933,175	£ 469,825
Oil (palm)	112,258	59,810	82,914
Iron, wrought	50,889	14,709	11,330
Wire	18,170	15,775	3,800
Wire manufactures	16,846	10,013	7,029
Cutlery	55,545	27,712	15,179
Hardware	149,565	70,829	41,354
Cotton piece goods	1,422,396	545,804	526,367
Flags, handchfs, etc.	38,815	16,165	21,682
Woolen tissues	253,585	121,327	60,853
Worstead tissues	80,664	33,163	22,621
Earthenware and glass	245,300	120,984	80,245
Jute yarn	270,715	206,884	267,309
Jute piecegoods	14,023	2,292	1,266
	4,137,951	2,178,642	1,614,840

	1913	1914	1915
Coal	0.89	0.89	1.05
Oil (palm)	28.51	28.32	31.05
Iron, wrought	10.80	9.76	9.48
Wire	15.75	13.1	16.09
Wire manufactures	33.09	41.0	40.6
Cutlery	13.2	20.0	17.9
Hardware	2.06	3.35	3.09
Cotton piece goods	0.17	0.107	0.21
Flags, Hand'chfs, etc.	0.01	0.01	0.02
Woolen tissues	0.14	0.14	0.16
Worsted tissues	0.13	0.11	0.14
Earthenware and glass	0.76	0.11	1.30
Jute yarn	0.02	0.02	0.02
Jute piece goods	0.02	0.03	0.02

In the aggregate the weight of the eight staples specified by the Board of Trade shows a total of 1,623,528 tons in 1913 as against 454,776 in 1915, a shrinkage during the two years of 72 per cent. whilst their aggregate cost f.o.b. in British ports dropped £714,744 or 65 per cent.

Alteration in unit prices all show in crease excepting iron manufacturers, for which value shows a decrease last year compared with 1913 of 12 per cent., jute yarn and hessians were unaltered. For the rest the increase was as follows:—Coal 18 per cent., oil 8.8 per cent., wire, wrought 1.5 per cent., cutlery and hardware 25.6 per cent., wire manufactures 22.9 per cent., cotton piece goods 23.5 per cent. flags, etc. 100 per cent., woolen tissues 13.6 per cent., worsted tissues 7.7 per cent. and earthenware 71.0 per cent.

MONEY

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

	90 days' Bank	Commercial	Sovs.
Saturday, 29th January	11 15-32	11 9-16	20\$800
Monday, 31st January	11 17-32	11 5-8	21\$100
Tuesday, 1st February	11 15-32	11 17-32	21\$100
Wednesday, 2nd February	11 7-16	11½	21\$200
Thursday, 3rd February	11½	11 9-16	21\$100
Friday, 4th February	11½	11 5-8	21\$000
Saturday, 5th February	11½	11 5-8	21\$600

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

Rio de Janeiro, February 5th, 1916.

Monday, January 31st. The market opened with the Ultramarino drawing at 11 15-32d. and others at 11 7-16d.; the Ultramarino and National City Banks began almost at once to raise rates up to 11 19-32d., but withdrew later on to 11 17-32d. whilst other banks refused to draw better than 11½d. Commercial paper very scarce at 11 9-16d. to 19-32d.

Tuesday, February 1st. The New York City Bank opened at 11 19-32d., Ultramarino at 11 9-16d., London and Brazilian at 11 15-32d. and others at 11½d., a difference between them of 1-8d. in opening rates. In the absence of bills rates were reduced to 11 7-16d. all round, but at close City Bank quoted 11 15-32d. ready cash and there were takers at 11 17-32d. but no bills.

Wednesday, 2nd February. City Bank opened at 11 15-32d., River Plate at 11 13-32 and others at 11 7-16d. During the day some money appeared at 11 7-16d. and most banks, in the absence of bills, retired to 11 13-32d. towards the close. Some repassed paper was offered at 11 15-32d. and 11½d., the City and Ultramarino Banks closing at 11 15-32d. and others at 11 7-16d. and 11 13-32d.

Thursday, February 3rd. The market opened with rates of different banks varying between 11 13-32d. and 11 15-32d., the City Bank pushing rates until 11 17-32d. was quoted for drawing and

by others 11 15-32d., with takers at 11 9-16d. and even 11 17-32d. Bills extremely scarce.

Friday, 4th February. The City Bank opened at 11 17-32d., Ultramarino at 11½d. and others at 11 15-32d., at which the market closed. A few bills offering at one time at 11 17-32d. and 11 9-16d.

Saturday, February 5th. The City Bank opened at 11 17-32d., Ultramarino at 11½d. and others at 11 15-32d. During the day all but the London and Brazilian reduced their rates to 11 7-16d., with no money offering and two first banks offering to draw at close at 11½d.

Ninety days' dollar rates on New York were as follows: Jan. 31, 4\$430; Feb. 1, 4\$470; 2nd, 4\$470; 3rd, 4\$450; 4th, 4\$450; and 5th, 4\$470.

Sterling rates on New York ruled \$4.7675 Monday to Wednesday, \$4.7650 Thursday, \$4.7662½ Friday and Saturday.

Rates oscillated during the week between 11 17-32d. and 11 13-32d., the difference between the opening rates of different banks being on one occasion 1-8d. The market is nonplussed by these manoeuvres and in the absence of bills came to the conclusion that one of the banks must be overdrawn and trying to get bills by taking as much as it can get and drawing as little as possible at same rate. The market, however, failed to respond and Santos closed 1-32d. over the drawing rates of some of the banks.

Embarques were very small and yielded only £241,778, as against £470,000 the preceding week and £798,000 the week before that. Coffee sales, likewise, were insignificant.

The rise of 16 per cent. in coffee freights to New York since December and prohibitive cost of bunker coal, are typical of what may be expected should the restriction of tonnage continue and freights continue to rise, as seems inevitable.

Co-operation of national tonnage in the transport of coffee may help, but will be, after all, but a drop in the ocean of Brazilian overseas necessities. Besides, not only coffee but transport of rubber, cocoa, tobacco, hides, etc., must all be attended to and absorb available Brazilian tonnage.

For such reasons it seems to us wiser to take a pessimistic view and not to count on easy marketing of the balance of the actual and much less of the coming coffee crop. What rates freights may have reached by that time no one can even imagine! Nor does it seem likely that, with the late experience of the vagaries of the freight market, exporters, as some people imagine, will indulge in forward buying if they see no certain prospect of covering freights.

The fall to 11 3-8d. and the slight actual reaction to 11½d. is explained in some quarters to have been the result of freight difficulties, which prevented exporters from delivering their bills against exchange contracts sold. In consequence, they had either to liquidate their exchange and hold on to the coffee purchased or not sell more bills until sure of their freights. Now that the freight position is, as they allege, somewhat relieved, exporters can now deliver and the supply of bills should improve!

A few rubber and cocoa bills were offering during the week, but both one and the other and indeed all exportable commodities are suffering from the same shortage of tonnage as coffee, whilst for others, like manganese, shipments have ceased entirely.

Rubber prices improved 2½d. per lb. in consuming markets and 500 reis at Para.

That there are few coffee or other bills offering we can quite believe and though no market money may be offering at the banks, the demand for bills from other sources must be tremendous or, otherwise, with a balance of over £27,000,000, in clusive of specie, in our favour for the last 12 months, how is it that no gold is imported?

The Emergency Issue. Statement for 5th February:—

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	28:316\$
Interest due from banks	17:395\$

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

Cash	5.391:925\$
Treasury bills	76.473:400\$
Interest on same	187:028\$
Expenses of issue	491:273\$
	82.543:627\$
	342.611:889\$

LIABILITIES.

Emission authorised	250.000:000\$
10 per cent. of Customs receipts Rio and Santos ...	2 985:582\$
Amortisation of loans	85.901:802\$
Interest on loans	3.724:505\$
	342.611:889\$

Latest Quotations:—

	1916	1916	1915
	Jan. 29	Feb. 5	Feb. 5
4 per cent., 1889	45½	45½	55
Funding, 1898, 5 per cent.	87½	87½	98½
Funding, 1914	73¾	73	76½
1910 4 per cent.	47	45½	54
S. Paulo, 1888	85	85	81½
Leopoldina stock	34	35½	34½
S. Paulo Railway Ordinary	180	179	191
Traction Ordinary	51 5-8	51	56½
Brazil Railway	7 7-8	7½	7
Dumont Coffee Co.	8	8	8½
Gold vales	11¾d.	12d.	15d.
Treasury Bills, 11 to 13 per cent. discount.			

COFFEE

Entries at the two ports for the week ended 3rd February show a falling off of 42,084 bags compared with previous week and of 104,177 compared with same week last year. It is believed that not much of this crop remains to come down.

For the crop to 3rd February entries at the two ports were 12,171,823 bags, as against 9,121,126 bags for same period last year, an increase of 3,050,697 bags or 33.4 per cent.

On the basis of estimates of 11,000,000 for Santos and 3,250,000 for Rio, coffee yet to come down should be about 2,000,000, at the rate of 360,000 per month for the rest of the crop.

Clearances were heavy again, nearly half a million and raising the total for the crop on 2nd February to 9,903,075 bags or 2,469,217 bags more than for same period last year, and their sterling value to £18,383,802, an increase compared with last year of 17.9 per cent.

Average f.o.b. value per bag was £1.936 as against £1.954 for previous week.

Stocks at Rio and Santos were 2,970,604 bags, an increase of 181,461 bags, of which 6,215 at Rio and 175,246 bags at Santos.

Embarques (coffee loaded) were small again, amounting to only 241,378 bags, of the f.o.b. value of £204,000 as against £470,000 for previous week and £798,000 the week before that.

Of the total of 174,183 bags **Sailed**, 120,553 bags went to the States, 43,771 to Scandinavia, nothing to France or rest of Europe and Mediterranean, 2,515 to the Plate and West Coast, and 7,344 bags coastwise.

Sales (declared). Few sales were declared, the total for the two markets being only 59,469 bags, as against 158,587 for previous week and 142,809 for week ended 4th February, 1915.

Prices at Rio dropped, closing on Thursday at 6\$000, 5\$788 and 5\$515 for Nos. 7, 8 and 9 respectively, as against 6\$128, 5\$856 and 5\$583 the previous Thursday.

At Santos no alteration at 5\$500 and 3\$800 for superior and good average.

At New York prices improved, closing March 7.47c., May 7.50c., and Sept. 7.67c., as against 7.29c., 7.34c. and 7.52 the previous week.

At Havre prices rose, closing March at 61f50, May 60f00, and Sept. 58f75, as against 60f00, 58f50 and 56f75.

At London prices declined, closing March at 41s. 9d., as against 42s. and Sept. 42s. 3d. as against 42s. 6d. per cwt.

Valorisation Stocks. "Le Bulletin de Correspondance du Havre," of 23 December, says that reports of sale of valorisation coffees are well founded, but that offers at S. Paulo are considered too low. If it is only a question of price, the transaction, thinks our contemporary, may be considered as good as closed, but in view of the injury it would inflict on importing and distributing trade in all its ramifications, it may be doubted if the business will ever materialise, especially, we may add, as Brazilian producers and traders are by no means convinced of its advantage.

It would, says our contemporary, be a great mistake on the part of the French Government. Of all the great staples, the price of coffee has suffered less than any other. In July, 1913, it was quoted at 59f50; July, 1914, 58f50; July, 1915, 52f00 and now stands at 58f00.

Thanks to a free market, in spite of the rise in freights, the cost of coffee has varied but slightly and it is the only article that can still be bought on good conditions. Somehow the French Government seems to have been convinced that as soon as peace is declared prices will rise enormously because Germany will be obliged to restock. This, however is pure speculation. Besides it is not by any means so sure that Germany is unprovided, judging from the following figures:—

Exports from Rio and Santos—

Austria and Germany, 1914-15	115,000	
Other European countries except France....	4,865,000	
Sale of valorisation stocks at Hamburg and Antwerp	1,730,000	6,710,000
1913-14 Germany and Austria	2,841,000	
Other European countries except France....	3,154,000	5,995,000
1912-13, Germany and Austria	2,909,000	
Other European countries except France....	2,573,000	
Sale of valorisation coffees in Europe except France	200,000	5,682,000

The fall of prices during the period preceding the war shows that imports in Europe in 1913-14 were excessive.

Judging from imports by other European countries, excepting France, there could be no lack of coffee in Germany seeing that imports by those countries amounted to 4,865,000 in 1915, as against 3,154,000 in 1914.

We will not, says the "Bulletin," lay stress on the re-exports by Allied to neutral countries nor the fact that certain coffees largely of enemy production have entirely disappeared from the Havre market, as their destination is pretty well known. There is another point the French Government would do well to consider: Whether valorisation coffees are suitable for the consumption of the French army and whether coffees stored for over ten years are likely to be sufficiently stimulative. What would happen if

after buying 1,200,000 bags, a large part of them were found to be unsuitable and they had to be rebought in the market? Should the transaction be consummated, it is clear that importers will not be anxious to add to their stocks but endeavour to sell what they hold at the best prices possible.

There is yet another point that should be considered: Why after providing for all the necessities of consumption through regular commercial channels, at indisputably low prices, should this policy be abandoned and the government embark on a transaction that will cost at least a hundred million francs? Is the moment opportune for such disbursements?

The United States have taken all they want from the present crop and in Europe the only free market of importance for Brazil coffees is Havre. Only let S. Paulo suppress this market and see what planters will think of it!

[Since the possibility of valorisation coffees at Havre being purchased by the French Government was announced in December, prices for near months at Havre have risen from 50 to 60 francs, whilst the utmost concern is manifested by shippers to deliver as much coffee in that market as quickly as possible. Since the beginning of the year 100,000 bags left for France and if more has not gone it was because there were no steamers. At present, however, quite a number of boats are loading or about to load for that destination.]

The conclusion is that Havre does not take much account of the valorisation deal and that if the coffee is bought, it will not be for the consumption of the army but to hold as a reserve after the war and take the wind out of Germany's sails. Otherwise why should French houses be so anxious to import?

From our own point of view, it could never suit producers to sell the valorisation stocks unless some arrangement had been come to between S. Paulo and France that it should not be put unreservedly on the market so as to curtail the actual market for our coffees.

As regards the demand from the States, not only is there no slackening, in spite of that market having received already $4\frac{1}{4}$ million bags, but New York prices have risen more even than freights. Naturally there is anxiety in American markets to transfer all the coffee possible to their side before freights become positively prohibitive, which, even were there no other reason, such as fear of an import duty, would in the actual abnormal condition of all the trade, fully justify importers' attitude both in the States and at Havre.]

STOCKS (In 1,000 bags.)

	1 Dec. 1915	1 Jan. 1916	1 Jan. 1915	Dec. 1915	Jan. 1916
England	540	529	249	-11	+280
Hamburg	200	150	470	-50	-320
Holland	336	366	298	+30	+68
Antwerp	100	100	1,018	—	-918
Havre	2,041	2,051	2,074	+10	-23
Bordeaux	48	47	40	-1	+7
Marseilles	166	167	101	+1	+66
Trieste	5	5	15	—	-10
Bremen	5	5	46	—	-41
Copenhagen	50	90	38	+40	+52
10 ports	3,491	3,510	4,349	+19	-839
Brazil sorts	2,660	2,671	3,544	—	—
Other	831	839	805	—	—

Visible Supply of the World—

Brazil sorts	8,918	8,911	8,912	-7	-1
Other	1,522	1,343	1,103	-179	+240
	10,440	10,254	10,015	-186	-239

Coffee Statistics

ENTRIES.

IN BAGS OF 60 KILOS.

RIO	FOR THE WEEK ENDED			FOR THE CROP TO	
	Feb. 3 1916	Jan. 27 1916	Feb. 4 1915	Feb. 3 1916	Feb. 4 1915
Central and Leopoldina Ry.....	47,881	51,470	64,885	2,079,011	1,534,188
Inland.....	1,642	9,492	1,752	71,602	28,699
Coastwise, discharged.....	—	4,671	2,543	91,505	30,920
Total.....	49,523	62,636	69,180	2,242,118	1,593,807
Transferred from Rio & Nietheroy.....	2,536	—	1,065	56,969	23,235
Net Entries at Rio.....	46,987	62,636	68,115	2,185,149	1,570,572
Nietheroy from Rio & Leopoldina.....	12,015	—	8,634	260,176	201,623
Total Rio, including Nietheroy & transit.....	58,975	62,636	76,749	2,445,325	1,772,195
Total Santos.....	129,803	168,236	216,151	9,728,498	7,348,691
Total Rio & Santos.....	188,778	230,862	292,895	17,173,823	9,121,126

The coast arrivals for the week ended February 3rd, 1916, were from:—

The total entries by the different S. Paulo Railways for the Crop to February 3rd 1916, were as follows

	Past January	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remaining at S. Paulo
1915/1916	2,075,594	7,585,140	9,620,734	9,728,498	—
1914/1915	6,192,092	1,116,754	7,347,846	7,348,691	—

FOREIGN STOCKS.

IN BAGS OF 60 KILOS.

February 3 1916. January 27, 1916. February 4, 1915.

United States Ports...	—	—	—
Havre.....	1,784,000	1,780,000	1,818,000
Both.....	—	—	—
Deliveries United States	—	—	—
Visible Supply at United States ports.....	—	—	—

SALES OF COFFEE.

During the week ending February 3rd, 1916.

February 3, 1916. January 27, 1916. February 4, 1915.

Rio.....	19,489	33,587	32,867
Santos.....	40,000	128,000	103,942
Total.....	59,489	161,587	136,809

COFFEE LOADED (EMBARQUES).

IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP TO	
	1916 Feb. 3	1916 Jan. 27	1915 Feb. 4	1916 Feb. 3	1915 Feb. 4
Rio.....	33,563	50,313	95,891	2,161,096	1,562,461
Nietheroy.....	17,376	—	20,670	287,925	198,641
In transit.....	—	—	—	—	—
Total Rio including Nietheroy & transit.....	50,941	50,313	117,531	2,449,021	1,761,102
Santos.....	64,557	191,965	260,306	7,573,362	7,403,139
Rio & Santos.....	105,498	242,278	377,837	10,022,383	9,164,241

COFFEE SAILED.

During the week ending February 3rd, 1916, were consigned to

the following destinations:—

IN BAGS OF 60 KILOS.

PORTS	UNITED STATS	EUROPE & MEDITER- RANKAM	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio.....	—	43,771	7,344	—	—	1,190	52,305	2,434,722
Santos.....	120,553	—	—	1,325	—	—	121,878	7,636,065
1915/1916..	120,553	43,771	7,344	1,325	—	1,190	174,183	10,069,787
1914/1915..	102,781	375,934	4,445	5,925	—	—	489,035	7,576,415

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS.

During the week ending February 3rd, 1916.

IN BAGS OF 60 KILOS.

	Feb. 3 1916	Jan. 27 1916	Feb. 3 1915	Jan. 27 1915	Crop to Feb. 3/1916	
	Bags	Bags	£	£	Bags	£
Rio.....	44,981	182,370	91,423	360,272	2,270,353	2,778,229
Santos.....	121,878	282,215	236,565	547,785	7,632,722	15,607,573
Total 1915/1916..	166,859	464,585	327,988	908,057	9,903,075	18,385,802
do 1914/1915..	484,593	471,514	938,193	554,132	7,434,858	15,591,346

COFFEE PRICE CURRENT.

During the week ending February 3rd, 1916.

	Jan. 28	Jan. 29	Jan. 31	Feb. 1	Feb. 2	Feb. 3	Ave- rage
RIO—							
Market N. 6 10 kilos	—	—	6 128	—	—	6 196	—
» N. 7	6 264	6 198	6 24	6 123	6 128	6 264	6 198
» N. 8	6 060	5 992	5 924	5 924	5 924	5 992	5 992
» N. 9	5 788	5 719	5 651	5 651	5 651	5 719	5 719
SANTOS—	5 515	5 447	5 515	5 379	5 379	5 447	5 447
Superior per 10 kilos...	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
N. YORK, per lb..							
Spot N. 7 cent.	—	—	—	—	—	—	—
» N. 8 cent.	—	—	—	—	—	—	—
Options—							
» Mar..... »	723	730	740	738	738	747	736
» May..... »	728	731	741	742	743	750	740
» Sept..... »	718	723	730	736	739	767	737
HAVRE per 50 kilos							
Options..... francs							
» Mar..... »	60.00	60.00	60.50	61.00	61.50	61.25	60.70
» May..... »	58.50	58.75	59.25	59.75	60.25	60.00	59.41
» Sept..... »	57.00	57.25	57.75	58.25	59.00	58.75	58.00
HAMBURG per 1/2 kilos							
Options..... pfennig							
» Mar..... »	—	—	—	—	—	—	—
» May..... »	—	—	—	—	—	—	—
» Sept..... »	—	—	—	—	—	—	—
LONDON cwt							
Options..... shillings							
» Mar..... »	41/3	41/6	42/-	41/9	41/6	41/9	41/7
» May..... »	—	—	—	—	—	—	—
» Sept..... »	42/-	42/3	42/6	42/6	42/3	42/3	42/3

OUR OWN STOCK.

IN BAGS OF 60 KILOS

RIO Stock on January 27th, 1916.....	254,527
Entries during week ended February 3rd, 1916.....	46,970
Loaded «Embarques», for the week Feb. 3rd, 1916.....	301,497
STOCK IN RIO ON February 3rd, 1916.....	33,585
STOCK IN RIO ON February 3rd, 1916.....	267,932
Stock at Nictheroy and Porto da Madama on	
January 27th, 1916.....	12,596
Afloat on January 27th, 1916.....	29,046
Entries at Nictheroy plus total embarques including transit.....	62,946
	104,588
Deduct: embarques at Nictheroy, Porto da Madama and Vianna and sailings during the week February 3rd, 1915.....	70,186
STOCK IN NICTHEROY AND AFLOAT ON Feb. 3rd, 1916.....	34,452
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and AFLOAT ON February 3rd, 1916....	302,384
SANTOS Stock on January 27th, 1915.....	2,492,974
Entries for week ended February 3rd, 1915....	129,803
	2,732,777
Loaded (embarques) during same week.....	54,557
STOCK IN SANTOS ON February 3rd, 1916.....	2,658,220
Stock in Rio and Santos on February 3rd, 1916.....	2,970,604
do do on January 27th, 1916.....	2,789,143
do do on February 4th, 1916.....	2,110,943

MANIFESTS OF COFFEE.

RIO DE JANEIRO.

During the week ending February 3rd, 1916.

23-P. CHRISTOPHERSEN-Stokholm	McKinley & Co	3,625	
Ditto	Jessouroun Irmaos	2,625	
Ditto	Norton Megaw & Co	2,396	
Ditto	Pinto & Co	2,250	
Ditto	Hard, Rand & Co	1,500	
Ditto	M. da Costa Almeida	2,000	
Ditto	Castro Silva & Co	1,000	
Ditto	Dias Garcia & Co	500	
Ditto	Eugen Urban & Co	500	
Ditto	Gothemburg	2,000	
Ditto	M. da Costa Almeida	1,125	
Ditto	McKinley & Co	1,125	
Ditto	Hard, Rand & Co	500	
Ditto	Christiania	1,000	
Ditto	Carlo Pareto & Co	1,000	
Ditto	McKinley & Co	750	
Ditto	Louis Boher & Co	500	
Ditto	Pinto & Co	250	
Ditto	Gefle	2,500	
Ditto	Dias Garcia & Co	500	
Ditto	Roberto Schoenn & Co	250	
Ditto	Halmstead	3,750	
Ditto	M. da Costa Almeida	1,000	
Ditto	Pinto & Co	1,000	
Ditto	Hard, Rand & Co	1,000	
Ditto	Storanger	1,500	
Ditto	Lulã	500	
Ditto	Drontheim	500	
Ditto	Bergen	250	
Ditto	Helsingborg	250	37,021
-VICTORIA-Valparaíso	Stolle Emerson & Co	300	
Ditto	Pierre Pradez	300	
Ditto	Talcachuanos	150	
Ditto	Hard, Rand & Co	100	
Ditto	McKinley & Co	50	
Ditto	Punta Arenas	250	1,190
2-ANTWERPEN-Copenhagen	Eugen Urban & Co	2,250	
Ditto	Hard, Rand & Co	1,000	
Ditto	Jessouroun Irmaos	1,000	
Ditto	Castro Silva & Co	1,000	
Ditto	Norton Megaw & Co	750	
Ditto	Pinto & Co	500	
Ditto	Pintea Maachado	250	6,750
Total overseas			44,961

COASTWISE

-ITAGIBA-Rio Grande	McKinley & Co	50	
Ditto-Pelotas	Castro Silva & Co	50	100
-ITAPERUNA-Pelotas	Stolle Emerson & Co		100
-ITATINGA-Pernambuco	McKinley & Co		25
-ITAPURA-Porto Alegre	Miranda Jordao	100	
Ditto-Pelotas	Ornstein & Co	55	
Ditto	Castro Silva & Co	40	
Ditto-Rio Grande	Castro Silva & Co	50	245

-ITAUBA-Porto Alegre	Sequeira & Co	300	
Ditto	Stolle Emerson & Co	300	
Ditto	Eugen Urban & Co	100	
Ditto-Pelotas	Sequeira & Co	265	
Ditto	Ornstein & Co	185	
Ditto	McKinley & Co	50	1,200
30-ITAPUHY-Porto Alegre	Castro Silva & Co	369	
Ditto	Stolle Emerson & Co	250	
Ditto	McKinley & Co	250	
Ditto-Pelotas	Ornstein & Co	225	
Ditto	McKinley & Co	200	
Ditto	Castro Silva & Co	100	
Ditto	Theodor Wille & Co	75	
Ditto-Rio Grande	Theodor Wille & Co	155	1,624
1-SATELLITE-Pará	Theodor Wille & Co	685	
Ditto	Ornstein & Co	570	
Ditto	Eugen Urban & Co	30	
Ditto-Manaos	Theodor Wille & Co	320	
Ditto	Ornstein & Co	350	
Ditto	Eugen Urban & Co	255	
Ditto-Pernambuco	Ornstein & Co	250	
Ditto-Pará	Stolle Emerson & Co	100	2,560
-PYRINEUS-Camocim	Sequeira & Co		20
2-BRASIL-Maranhao	Theodor Wille & Co	380	
Ditto	Eugen Urban & Co	235	
Ditto	Ornstein & Co	55	
Ditto-Manaos	Ornstein & Co	80	
Ditto	Eugen Urban & Co	80	
Ditto	Sequeira & Co	60	
Ditto-Pará	Eugen Urban & Co	120	
Ditto	Ornstein & Co	50	
Ditto-Itacoatiara	Theodor Wille & Co	100	
Ditto-Maceió	Eugen Urban & Co	60	
Ditto-Partinins	Ornstein & Co	20	
Ditto-Santarem	Ornstein & Co	20	
Ditto-Tutoya	Sequeira & Co	50	
Ditto	Theodor Wille & Co	30	1,340
-JUPITER-Porto Alegre	Eugen Urban & Co	100	
Ditto-Rio Grande	McKinley & Co	30	130
Total coastwise			7,344

SANTOS

During the week ending February 3rd, 1916.

29-RIO COLORADO-New York	Arbuckle & Co		66,189
-MONTANAN-New York	Santos Coffee Co	10,000	
Ditto	Theodor Wille & Co	6,000	
Ditto	Cia. Nacional de Café	5,050	
Ditto	M. Wright & Co	5,000	
Ditto	Société F. Bresilienne	5,000	
Ditto	Nauman Gepp & Co	4,000	
Ditto	G. Trins & Co	3,400	
Ditto	Stolle Emerson & Co	3,250	
Ditto	Ed. Johnston & Co	3,000	
Ditto	J. Aron & Co	3,000	
Ditto	Raphael Sampaio	2,914	
Ditto	Leon Israel & Co	2,000	
Ditto	McLaughlin & Co	1,750	54,364
30-GARONNA-Buenos Aires	Pinto & Co	1,000	
Ditto	Castro Silva & Co	150	
Ditto	Hard, Rand & Co	125	
Ditto-Montevideo	Pinto & Co	50	1,325
Total overseas			121,878

Analysis for the week ending February 3rd, 1916:—

DESTINATIONS	SHIPPERS.
United States	120,553
Sweden	33,771
Denmark	6,750
Norway	3,250
South America	2,515
Overseas	166,839
Coastwise	7,344
Total	174,183
American	90,864
Brazilian	31,589
British	23,986
German and Austrian	14,900
French	5,500
Overseas	166,839
Coastwise	7,344
Total	174,183

PER SHIPPING COMPANIES

British	67,379
American	54,364
Swedish	37,021
Danish	6,750
French	1,325
Overseas	166,839
Coastwise	7,344
Total	174,183

PERNAMBUCO MARKET REPORT.

January 27th, 1916.

Sugar. Entries during past ten days have been 77,500 bags, making total for the month up to 25th 143,720 bags compared with 22,686 bags for same date last year. There has been fair demand and the market prices are unaltered, with the exception of ordinary whites 3a, which have put on 200 reis during past few days, planters having obtained 7\$300 a granel for this quality. There is considerable enquiry from the consuming markets, but so far little business as opinions of value are still too far apart between dealers and shippers, but the former are very confident and not disposed to make concessions in view of the strong statistical position of the article and if buyers hold off too long before replenishing their stocks they will probably find they have lost the chance of doing so at reasonable prices. Dealers' prices to-day for bagged article are as under:—

Usinas	9\$000 to 9\$600	per 15 kilos on shore
Crystal (white)	8\$000 to 8\$300
Ditto (yellow)	6\$000 to 6\$500 very scarce
Whites 3a boa	7\$400 to 8\$200
Somenos	6\$500 to 6\$800
Bruto secco	4\$600 to 5\$000

Shipments have been per s.s. Traveller to Liverpool, on 18th inst., with 2,332 bags brutos. Coastwise: Rio 3,000 bags, Santos 5,500 bags and Rio Grande ports 7,360 bags.

Cotton. Entries to 25th now amount to 25,541 bags compared with 19,266 bags for same date last year. The market, which closed firm on 20th at 24\$000 offered, continued in this state, with no sales until 22nd, when buyers decided to meet sellers' ideas and some 7,000 bags were sold during that day at 30\$ distributed amongst five shippers for south and one factory here. During the next two days about 1,000 bags more were secured at same figure, but then sellers retired and price generally asked for further business was 35\$, with possibility of something at 31\$ on 25th, but buyers maintained their bids of 30\$. Market is very firm and yesterday a small sale was reported as having been made at 32\$, though there seems no confirmation of this sale to-day and general opinion expressed is that anyone offered to sell at the price business was quite possible. The shipments since my last have been to Rio 1,900 bags and 200 pressed bales, Santos 1,500 bags and 1,200 pressed bales and there are large lots now here awaiting to be shipped. The news that several native steamers have been fixed to load coffee for Europe and the States is not appreciated by people up North, who have no other means of getting off their shipments and this may prejudice all the southern mills, who are counting on their supplies from this and other ports.

Coffee firm, with little business passing. Brokers quote 8\$ to 8\$500.

Cereals. Business during the week has been on a fair scale. Milho unchanged at 9\$400 to 9\$500 per bag of 60 kilos; beans, fair quantities have arrived from the south and market is rather easier at 19\$ to 20\$ for home grown and 16\$500 to 19\$ for imported lots; farinha is also a trifle easier at 28\$ to 35\$ for home grown per 100 kilos and 12\$500 to 13\$ per bag of 50 kilos for imported from Rio Grande ports.

Freights. No change and nothing here to load at present.

Exchange. The trend has been downwards until yesterday, when all banks opened at 11 5-16d. and later 1-16 better was obtainable in Banco do Recife for larger amounts, but little or nothing seems to have been done, although people seem to look for lower rates in near future. In private the only thing reported was a small amount on 25th at 11 7-16d.

January 28th, 1916.

Sugar. A business has been put through this morning of 21,000 bags white crystals for Buenos Aires at 7\$500 on shore and further 5,000 bags reported as sold to same port direct by one of the big planters at same price. This has caused more firmness in the market to-day and usinas were taken at 8\$500 a granel, bruto secco fetched 4\$500 and some extra fine quality sold outside para at 5\$000. Apparently the Plate must be short of sugars as it is said if they had not bought here they would have bought refined in the States.

Cotton is firm but not over 30\$000 offered and the reported sale at 32\$ does not seem to have been correct.

February 1st, 1916.

Cotton. On Saturday, 29th ult., a factory here paid 31\$ for about 300 bags cotton and later in day southern shippers bought some more at 20\$, the price then dropping to 28\$. Yesterday opened with offers of 27\$, but at close 28\$ was freely offered without sellers appearing. Reports were spread round here that the Rio Mills had bought in the U.S. 12,000 bales of American cotton at equivalent of 27\$ on shore, but few credit such a thing, especially as probably the mill's machinery in use will not be able to use the American quality. Anyway this is the case in Manchester where users of American cotton cannot use Brazil without first changing their machinery.

Sugar is very firm and further business for Montevideo and Argentina has been worked. For Liverpool 4\$ is offered for bruto mellados.

Railway News

THE LEOPOLDINA RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended.	Receipts for Week			Total from 1st Jan.
		Currency.	Exch.	Sterling.	
1916	29th. Jan.	520:000\$	11 3/8	£ 24,646	£ 19,276
1915	30th. Jan.	626:000\$	13 21/32	£ 35,620	£ 127,357
Increase....	—	—	—	£ —	—
Decrease....	—	106:000\$	2 9/32	10,974	£ 28,681

THE S. PAULO RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended	Receipts for Week			TOTAL from 1st January
		Currency.	Exchange	Sterling	
1916	23rd Jan.	619:821\$	11 15/16	30,839-13-7	92,276-1-10
1915	24th Jan.	607:513\$	13 3/4	34,807-3-3	109,668-8-4
Increase...	—	12:278\$	—	—	—
Decrease...	—	—	1 13/16	3,977-9-8	17,392-6-6

The Araraquara Railway. The assets of the Araraquara Railway Co., in liquidation, have been acquired by a company registered under the denomination of the S. Paulo Northern Railway Co., at Washington, U.S.A., duly authorised by the Brazilian Government to carry on business in this country. The tax paid to the S. Paulo Treasury amounted to 142:000\$000.

RUBBER

Weekly Cable. London quotations for hard fine closed on Friday, 4th, 2 1/2d. up at 3s. 1 1/2d. per lb., and at Pará at 5\$700 per kilo, an improvement of 500 reis.

Cave! Germans, particularly Ohliger and Seligmann, are said to be buying heavily at Para and Manaus, whether on account of the stocks that they are supposed to be laying in in expectation of peace or for immediate shipment, we cannot say, but one thing we ought to take care of—that we do not help to pull their chestnuts out of the fire by allowing them to ship in British bottoms.

—The highest prices realised at Manaus for hard fine was 7\$500 during the first week in January. Prices are now down to 5\$500 and if they can be maintained about that rate will be, admittedly, remunerative even for those working on the highest reaches of the Amazon. Little of the actual Amazon crop seems to have been sold ahead, so that the full benefit of actual high prices ought to be reaped by people here. It is to be trusted that Para and Manaus merchants have learned their lesson and will not start giving foolish credit to up-river customers again, which is like the drug habit—once started can never be left off! With the price of rubber doubled, it looked lately as if there would not be enough cash at Para and Manaus to handle the crop, but probably the banks have shipped notes heavily from Rio. In any case, it seems probable that exchange at Para and Manaus will be on a basis of its own for a while and there may be unusual differences between the rates for Para and Rio bills.

There are few steamers nowadays and when steamers arrive they come all together—the Lloyd Brasileiro and Booth boats at the same time and it is a great rush to get them off.

Manufacturers in England and the States are said to be overwhelmed with orders and to be refusing business even from Allied Governments.

The rise in prices came just in the nick of time and will mean great prosperity for Para and Manaus if all the crop can be marketed before the fall comes.

The output of plantation rubber for 1915 is estimated at 100,000 tons and for 1916 a production of 130,000 tons is looked for, all clean dry rubber. The pressure that the increase of 30 per cent. in plantation rubber is bound to exercise on Brazilian production of 37,000 tons of rubber, with a high percentage of impurities, can be imagined and ultimately to affect prices.

Thousands of men from the State of Ceará have been distributed throughout the States of Para and Amazonas during the recent famine which drove them from their homes, but the vast majority of these are unskilled in any kind of labour, and, when set to tap the rubber trees, may bring about an increase in production, but it will certainly be at the expense of the trees. Para and Amazonas might be likened to gold-digging States. Everyone rushes thither to see how much can be made in the shortest possible time. Just as gold gave out in California and many parts of Australia, so will rubber give out in many parts of these two Brazilian States. Cultivate a plant, and it will grow well. Tend the rubber tree and it will give more and better latex. Nature will reward those who care for her creation. Of course, we hear many people say that the trees cannot be dying in great numbers, as the production on the Amazon keeps fairly even. They fail to realise, however, that, instead of standing still, it ought to be going up, and that the only means whereby it is even maintained is by constantly attacking fresh districts where the trees are still virgin.

Estimated Supply:—

Amazonas	Tons	37,000
Matto Grosso, Manicoba		1,500
Total Brazil		38,500
East Africa, Manihot, etc.		1,000
West Africa		7,000
Central America and Mexico		1,000
Plantation		98,000
Gayule and Jukutong		Nil
		145,500

Consumption:—

England	24,000
Germany and Austria (say 1-4 of 1914)...	3,000
France	7,000
Russia	16,000
Italy	2,500
Japan and Australia	4,000
America and Canada	89,000
	145,500

Exports of Plantation Rubber:—

	1915	1914	1913
Ceylon and India	20,500	14,800	11,800
Malaya	72,800	49,700	36,200
	93,300	64,500	48,000

Planted Area. With regard to the planted area, it is believed that any planting there may have been in 1915 have been fully counteracted by the falling out of cultivation, and thinning of some of the previously planted areas. The estimate for India has been increased and that for the East African Ceara plantations reduced, with the following result:—

	1915 acres	1914 acres	1913 acres
Ceylon	235,000	220,000	220,000
Malaya, Malacca	550,000	500,000	500,000
Borneo	25,000	20,000	20,000
Dutch E. I., 200,000 Java, 250,000 Sumatra, etc.	450,000	400,000	400,000
India and Burmah	60,000	65,000	45,000
German Colonies, Samoa (2,000) E. and W. Africa	25,000	40,000	60,000

The plantations, principally of Castilloa, in Mexico, West Indies and Central and South America have not progressed; supplies are insignificant. India, Burmah and the Mergui have increased and are extending, but the East African plantations of Ceara have sent little.

SHIPPING

Engagements. Royal Mail none. The s.s. Denbighshire is expected at Santos next week to load for Havre.

The Prince liner Highland Prince, expected on 7th March, has a full cargo of 85,000 bags for New Orleans, engaged at \$1.60. and 5 per cent.

The Lloyd Brasileiro s.s. Purus takes 30,000 bags from Rio and Victoria for New York, part of which engaged at \$1.35 and the rest at \$1.60 per bag net.

Mr. Luiz Campos reports further 6,000 bags from Santos and 5,000 from Rio per s.s. Prinsessan Ingeborg, sailing February, making a total of 62,000 bags. For March, per s.s. Annie Johnson, 18,000 Rio and 48,000 Santos, making 66,000 in all; per s.s. Axel Johnson, further 16,500 Santos and 7,000 Rio, 62,000 in all; per s.s. Kronprinsessan Margaret, further 16,500 from Santos, making 84,500 in all; per s.s. Drottning Sophia, 15,000 Santos and 10,000 Rio, making 25,000 in all.

—The Commercio e Navegação Cia. report s.s. Gurupy, Taquary and Guahyba for New York and Mossoró for New Orleans full up. The s.s. Aracaty, Mucury and Jaguahy under offer for the States have been withdrawn in expectation of higher rates, \$2.00 having been refused.

The Cie. Sud Atlantique reports 20,000 bags engaged for Marseilles per s.s. Nivernais, 1,000 per s.s. Samara for Bordeaux, 2,000 per s.s. Garonna also for Bordeaux, all for February and 25,000 per s.s. Vega for Marseilles for March, all for Rio.

The Chargeurs Reunis reports further 16,000 from Rio per s.s. Amiral Villaret de Joyeuse for Havre, making 31,000 in all.

The national lines are greatly handicapped in their competition with outsiders by the shortage of coal. The big liners have space enough to load enough coal at New York for the round trip and thus fill up with coffee at paying rates. National steamers are mostly small and so have to buy coal here for the outward voyage. Up to now they have solved the fuel question by using a good deal of coke, but as the stock at Rio gasworks of 30,000 tons is nearly exhausted, many of them will be forced to buy coal in local markets at 100s. to 120s. per ton and be obliged to raise their rates. Competition between national and foreign lines can only benefit importers in neutral countries and prejudice both both National and British shipping.

It is evident that as the area of the war extends, whatever Mr. Runciman may say, the more and more tonnage will be requisitioned and even British liners be withdrawn gradually from purely neutral traffic.

Some of the national steamers are evidently unsuited for long overseas voyages and might with advantage be retained for the coast service, at present seriously menaced by the suspension of the Costeira and diversion of so much tonnage to international routes.

—No doubt, both the British and Brazilian F.O. are doing all in their power to smooth matters and release the national steamers that, for one reason or another, are detained in England, but the congestion in British and, for that matter, in all allied ports, due to the shortage of labour has reached such a point that with the best will in the world annoying delays cannot be avoided.

The best way to avoid them would be for the directors of national liners to attend more to their ps and qs and see that their boats are not sent to ports open to suspicion and consequently to delays, like some in Scandinavia.

With regard to some British owners that have experienced similar detention, it might be as well if in future they should refrain from attempts to get round the tax on profits by chartering their steamers for long periods at ridiculous rates.

Clearly with steamers detained for months and more in England, like the Corcovado, Rio Branco, Parana, Costeiro and Tropeiro, no rates can be profitable, so why not in future refrain from risky trading when there are so many ports of the world where, like the West Coast, almost anything is offering for prompt tonnage?

As for the rest, they will, to all appearances, be all wanted to keep the overseas trade agoing, for which available tonnage is at present certainly inadequate.

The reasonable and friendly thing to do, under such circumstances, would be for National and foreign shipping to come to terms on the partition of the available Brazilian traffic and division of the spoil instead of cutting one another's throats. It is only fair that national lines should be allowed to participate in the general prosperity of shipping, in view of the heavy contribution this country is put under to satisfy inward freights.

New Agents. The new agents of the Danish Line, vice Theodor Wille and Co., is a British firm, Henry Wright and Co., at Santos, and the Norwegian firm of Fred. Engelhart in this city. It's an ill wind that blows nobody any good!

Freight Markets. American chartering, says "Shipping Illustrated," continues light owing to the scant offering of tonnage in all trades. Rates are strong with active demand for sailers. Sailer rates for coal are the highest for many years, \$10 having been received by a number of six masters for South American ports. All the coal carriers are not sharing in the general prosperity, as many of them as well as some of the large coastwise steam colliers have been chartered for one or two years ahead at 75 to 85 cents per ton before the sharp advance began.

Representative fixtures: stmr, 5,500 tons d.w., U.S. Brazil, 8 months, 26s. 6d.

—Rates to Brazil are rapidly rising, but the coasting companies do not seem to be taking full advantage of the increasing demand. The rates for the minor ports have hardly fluctuated, whilst rates for Rio de Janeiro and Santos are very strong. We quote as follows:—B. A. to Antonina and Paranaguá, \$5; to Rio Grande and San Francisco, \$6; to Pelotas, Porto Alegre and Rio de Janeiro, \$7; to Santos, \$7.50; with 50 cents extra for up-river loading.—"The Times of Argentina," 31st January.

Angler's Steam Shipping Report, 1915. The past year has been one full of trials and perplexities, and as the period of the war extends so do the difficulties of shipping business increase for all concerned. The Government are obviously at their wit's end trying to keep up the supply of food and other necessities for this country and our Allies, without interfering unduly with other trades; and with tonnage being requisitioned at the present rate merchants never feel secure that the tonnage they have chartered will be allowed to load, while shipowners in addition to this trouble have to deal with the problems of manning their vessels and of handling their cargoes. As freights are at present, any difficulty which is removable by the expenditure of money is not of great moment, but in the present temper of labour luck and good judgment are required in almost greater proportions than money, if anything is to be effected. That the Government is at a loss in dealing with the situation reflects little discredit on them as they are confronted at every turn with the fact that there is not enough tonnage to handle properly the trade of the world, nor is there in European ports enough labour of the right sort to give vessels normal despatch, and so enable them to be used as efficiently as possible. This is proved by the fact that notwithstanding the enormous reduction in the volume of trade the delay in discharging and loading is very great, both in our ports and in those of France and Italy. The First Lord of the Admiralty made it clear that much of the apparent misuse of steamers is due to the exigencies of warfare, and though blunders have been, and are still being, made in handling of steamers, these are probably traceable to the extreme pressure under which all Government Departments are working.

Time-Charter. As it was obvious that the dearth of steamers was more likely to increase rather than diminish throughout the year, most of those people who could foresee that they would require any considerable quantity of tonnage had to cover themselves by taking it on time, and there was also a good deal of speculative chartering on this basis, as well as a large number of fixtures done for single trips or round voyages in trades in which owners were afraid to meet with excessive delay. As a consequence there were always far more orders than steamers, and rates rose steadily, prominent features being the eagerness of charterers to fix for long periods of from two to five years, and the appreciation in value of the old-fashioned vessel, which commanded practically the same figure as the most modern. In January steamers of 6,577,500 tons d.w. were fixed for 12 months employment in the general trade (excluding objectionable districts such as the White Sea, B.N.A. etc.) at about 9s. 6d. on d.w., in February at about 11s. 6d., and in March at about 12s. 6d., which figure was accepted right up to the end of July, as charterers appeared to prefer to pay proportionately higher rates for periods of one or two round voyages or even up to 9 months, rather than be committed for a year. In August, however, 13s. on d.w. was being paid for 12 months, and 14s. in October, but early in November good steamers fetched 18s. by the end of November 21s. 6d., and this month 24s. to 25s. on d.w. As an example of the rates for short periods, those paid for runs from the U.S.A. to this side may be taken, which in January were about 22s. on d.w., in February, March and April 30s., and in May 36s., but receded to 30s., and even to 25s. for specially favoured ports of redelivery in the U.K. during June and July, the nose gradually through August and September till in October 37s. 6d. was paid and in November 45s. to 47s. 6d., which latter rate is now current. It is noteworthy that Japanese steamers, which have not been much liked hitherto by most time-charterers, especially for Western trades in which their owners and crews are inexperienced, were taken freely in the early months of the year by a few far-seeing people, who have latterly been able easily to relet them at enormous profit.

VESSELS ARRIVING AT THE PORT OF RIO DE JANEIRO

During the week ending February 3rd, 1916.

- Jan. 26—FINN, Norwegian s.s. 1473 tons, from Newport
 28—OSCAR FREDRICK, Swedish s.s. 3377 tons, from Santos
 28—TUDOR PRINCE, British s.s. 2767 tons, from New York
 28—ITAPUCA, Brazilian s.s. 978 tons, from Porto Alegre
 28—ITAPACY, Brazilian s.s. 717 tons, from Porto Alegre
 29—MOSSORO, Brazilian s.s. 924 tons, from Santos
 29—QUEENSWOOD, British s.s. 1594 tons, from Rosario
 29—MONTANAN, American s.s. 4054 tons, from Santos
 29—GLENOCHEY, British s.s. 3019 tons, from Barry Dock
 29—MARANHÃO, Brazilian s.s. 1303 tons, from Manaus
 29—VENUS, Brazilian s.s. 439 tons, from Pernambuco
 29—BOCAINA, Brazilian s.s. 1044 tons, from Rosario
 30—GARONNA, French s.s. 3531 tons, from Bordeaux
 30—SALVATORE, Italian s.s. 1715 tons, from Buenos Aires
 30—KENNEMERLAND, Dutch s.s. 2587 tons, from Amsterdam
 30—DUPLEIX, French s.s. 4650 tons, from Bordeaux
 31—RAPHAEL, British s.s. 2899 tons, from Liverpool
 31—CHATTON, British s.s. 2321 tons, from Cardiff
 31—ITAPIAVA, Brazilian s.s. 707 tons, from Aracaju
 31—MORACE, British s.s. 2133 tons, from Cardiff
 31—ATLANTIC, British s.s. 1924 tons, from Buenos Aires
 31—TAQUARY, Brazilian s.s. 1176 tons, from Buenos Aires
 Feb. 1—ITAPOAN, Brazilian s.s. 521 tons, from Porto Alegre
 1—HAWAIIAN, American s.s. 3651 tons, from New York
 1—COBA F. GRESSY, American lugger, 2089 tons, from N. York
 1—WHITEGIFT, British s.s. 2842 tons, from Antofagasta
 1—P. INGEBORG, Swedish s.s. 2159 tons, from Gothenburg
 3—URANO, Brazilian s.s. 111 tons, from Cabo Frio
 3—DELTA, Brazilian s.s. 60 tons, from Cabo Frio
 3—ITATIRA, Brazilian s.s. 514 tons, from Itajahy
 3—ITAUQUERA, Brazilian s.s. 1254 tons, from Porto Alegre
 3—ITATINGA, Brazilian s.s. 1181 tons, from Pernambuco
 3—ACRE, Brazilian s.s. 1555 tons, from Santos
 3—LEON XIII, Spanish s.s. 2721 tons, from Bilbao
 3—A. V. JOYEUSE, French s.s. 3583 tons, from Havre

VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO

During the week ending February 3rd, 1916.

- Jan. 28—SATELLITE, Brazilian s.s. 982 tons, for Manaus
 28—P. CHRISTOPHERSEN, Swedish s.s. 2289 tons, for Gothenburg
 28—LIBERTAD, Argentine s.s. 612 tons, for Buenos Aires
 29—ITANEMA, Brazilian s.s. 553 tons, for Buenos Aires
 29—FIDELENSE, Brazilian s.s. 259 tons, for S. J. da Barra
 29—PYRINEUS, Brazilian s.s. 1464 tons, for Caupolim
 29—SHIMIAN, American s.s. 464 tons, for Iquidim
 29—QUEENSWOOD, British s.s. 1594 tons, for S. Vicente
 29—RIO PARDO, Brazilian s.s. 597 tons, for Penedo
 29—SUIO, Brazilian s.s. 930 tons, for Montevideo
 29—ITASSUCÉ, Brazilian s.s. 1175 tons, for Pernambuco
 30—ITAPUHY, Brazilian s.s. 1230 tons, for Porto Alegre
 30—MANTIQUEIRA, Brazilian s.s. 873 tons, for Porto Alegre
 30—TUDOR PRINCE, British s.s. 2767 tons, for Buenos Aires
 30—MAROIM, Brazilian s.s. 925 tons, for Porto Alegre
 31—GARONNA, French s.s. 3531 tons, for Buenos Aires
 Feb. 1—ITAPUCA, Brazilian s.s. 978 tons, for Recife
 1—ITAPACY, Brazilian s.s. 717 tons, for Aracaju
 1—RAPHAEL, British s.s. 2899 tons, for Buenos Aires
 1—HOBACE, British s.s. 2133 tons, for Liverpool
 1—ATLANTICA, Italian s.s. 1924 tons, for Barbados
 1—TAQUARY, Brazilian s.s. 1176 tons, for Natal
 2—DUPLEIX, French s.s. 4650 tons, for Buenos Aires
 2—ANTWERPEN, Danish s.s. 1026 tons, for Copenhagen
 2—KENNEMERLAND, Dutch s.s. 2587 tons, for Buenos Aires
 2—OSCAR FREDERICK, Swedish s.s. 3377 tons, for Gothenburg
 2—LINTGIFT, British s.s. 2842 tons, for Las Palmas
 2—ATLAGUASH, American s.s. 2492 tons, for Coronel
 2—BRAZIL, Brazilian s.s. 1199 tons, for Manaus
 2—JUPITER, Brazilian s.s. 1800 tons, for Montevideo
 3—BOCAINA, Brazilian s.s. 1044 tons, for Buenos Aires
 3—ITAJAHY, Brazilian s.s. 958 tons, for Porto Alegre
 3—LEON XIII, Spanish s.s. 2721 tons, for Buenos Aires

VESSELS ARRIVING AT THE PORT OF SANTOS

During the week ending February 3rd, 1916.

- Jan. 27—FEBBO, Italian s.s. 1764 tons, from Genoa
 30—PROVENCE, Argentine s.s. 662 tons, from Rosario
 30—EMILE BARTHE, Argentine s.s. 390 tons, from Rosario
 30—RUNSWICK, British s.s. 1904 tons, from Cardiff
 30—TUDOR PRINCE, British s.s. 2767 tons, from New York
 31—ITAPUHY, Brazilian s.s. 925 tons, from Pernambuco
 31—MANTIQUEIRA, Brazilian s.s. 972 tons, from Rio
 31—MAROIM, Brazilian s.s. 779 tons, from Rio
 Feb. 1—CABO CORRIENTES, Argentine s.s. 281 tons, from B. Aires
 1—GARONNA, French s.s. 3530 tons, from Bordeaux
 1—ITAUQUERA, Brazilian s.s. 926 tons, from Porto Alegre
 1—ANTONETA, Argentine lugger, 287 tons, from B. Aires

VESSELS SAILING FROM THE PORT OF SANTOS

During the week ending February 3rd, 1916.

- Jan. 27—OSCAR FREDRICK, Swedish s.s. 2549 tons, for Stockholm
 27—TATA, Brazilian s.s. 95 tons, for Antônia
 27—MOSSORO, Brazilian s.s. 924 tons, for New Orleans
 29—RIO COLORADO, British s.s. 2267 tons, for New York
 31—FEBBO, Italian s.s. 1474 tons, for Rosario
 31—FRIS, Brazilian s.s. 887 tons, for Montevideo
 31—MOROBEMA, Brazilian s.s. 886 tons, for Buenos Aires
 31—ITAPUHY, Brazilian s.s. 925 tons, for Porto Alegre
 Feb. 1—TUDOR PRINCE, British s.s. 2767 tons, for Buenos Aires
 1—GARONNA, French s.s. 3530 tons, for Buenos Aires
 1—MANTIQUEIRA, Brazilian s.s. 873 tons, for Porto Alegre
 1—ITAUQUERA, Brazilian s.s. 922 tons, for Pernambuco
 1—MAROIM, Brazilian s.s. 779 tons, for Porto Alegre
 1—EMILIA BARTHE, Argentine s.s. 390 tons, for Paranaguá
 2—ACRE, Brazilian s.s. 884 tons, for New York

The Week's Official War News

Following is a summary of press news of the economic situation in Germany received by His Majesty's Minister:—

London, 31st January, 1916.

The Berlin correspondent of the "Freundenblatt," under date of January 7th, states that the year ended on the Berlin Stock Exchange with a sharp note of dissatisfaction. Until the middle of October exchange was under the influence of over enthusiastic speculative tendencies but no attention was paid to the warning voices which exclaimed the moment inappropriate for wild speculation. The first check to these misplaced speculations was given by the complete cancellation of the Stock Exchange moratorium, this painful disappointment being the signal for the universal reduction of exaggerated prices, but the depreciation of values was further greatly increased by the declaration of the Imperial Finance Minister with regard to increased taxation.

The correspondent of the "Munchner Neueste Nachrichten," on 14th January, in a report on the tendencies of the Stock Exchange, says that the business being done is entirely that of professionals who are entirely out of all accord with the reigning jubilant atmosphere. Peace stocks had little attraction, shares of banks, shipping companies and industrial undertakings which are not on war work are in no great demand.

The "Deutscher Reichsanzeiger," of the 19th January, publishes the proclamation of the German Imperial Fodder Office calling attention to the importance of seeing to the proper cultivation of oats and barley in the coming spring and avoiding the waste of seed. Owing to the unfavourable weather of 1915, barley and oats suffered badly from a too early ripening, double growth and sprouting and many farmers are therefore not in possession of the necessary quantities of reliable seed. No attempt must be made to compensate for the bad quality by lavish sowing. Seed must be carefully sorted and prescribed amounts are not to be exceeded.

According to the "Berliner Tageblatt," of 20th January, it is officially announced that the question of maximum prices for vegetables is being carefully considered. It is agreed that the increase in price during the latter part of winter and the spring is unavoidable having regard to the expense and wastage involved in storing the vegetables and it is regarded as essential that the retail maximum prices be everywhere introduced by the local authorities. The requisitioning of oil and fat stocks throughout the country and their retention for purposes of greater national importance than the production of toilet soaps has left the soap-makers, according to the "Seifensieder Zeitung," of 15th December, with hardly any fat available for the production of such soap. In the absence of cocoa nut oil, which cannot be used on account of its high price, and because it is required for the manufacture of margarine, recourse has been made to resin. On the 23rd of November, the German and Berlin Laundry Associations submitted a memorial to the Imperial Chancellor on the shortage of laundry soaps and resultant difficulties and dangers. The laundries lay stress on the fact that even the official military laundries in future will be unable to obtain their necessary supplies of non-injurious fatty washing materials, thus effecting the supplies of the civil and military administrations, which include vast quantities of hospital goods.

The "Berliner Tageblatt," of January 16th, prints an appeal to the German public to give their gold jewellery in order to increase the gold holding of the Reichsbank, in view of the uncertain duration of the war and the obvious demands for gold.

The "Frankfurter Zeitung," of 6th January, states that the German Imperial Grain Office at one time had intended to allow 100,000 tons of wheat and rye to be coarse ground as food for pigs and milch cows, but in consequence of the disappointing result of the November inventory, has decided to reduce the amount allotted to 40,000 tons.

"Die Zeit," of 12th and 14th January, quotes a report from the "Prager Tageblatt" that an embargo has been laid upon the copper roof of the Zech and other banks, business houses and schools in Prague and that the work of removal has begun. By

the decree of December 26th, even church roofs have been brought under requisition and the roof of the church at Haard is to be replaced by a specially durable kind of slate.

London, 1st February, 1916.

The Foreign Office communicates the following:—"The German Chancellor has stated that England is compelling her Allies to refrain from entering upon any peace movement. This statement which the Allies know to be untrue, is made for the purpose of injuring England in the eyes of the neutrals. To England's Allies on the other hand, we hear that insidious and untrue reports are being circulated from German sources that England intends to abandon them and has even made peace overtures to Germany, which have been refused. The two statements together are a good illustration of how unscrupulous German methods are."

London, February 2nd, 1916.

The "Kölnische Volkszeitung" recently published a long report which was reproduced by other papers on the situation at Aden, purporting to be based on a conversation with British officers in Egypt. The conversations are palpable inventions and the report is false from beginning to end. There are no hostile forces within approximately ten miles of the most outlying Aden defences. So far is the British force from being besieged that in the middle of last month a movable column demonstrating towards Lahej, inflicted a loss of 200 killed and wounded on the Turks. This is the only engagement of any dimensions since August and the effect was to cause the disappearance of a large number of Arabs from the Turkish forces. There are not and there never have been British or Indian forces in the Yamen or Southern Arabia, nor has there been any fighting there. Even in the British protectorate there have been no garrisons outside Aden and its defences since 1907. The total British and Indian losses since the beginning of the war have been not 35,000, as stated in the German report, but 210. There is no truth in the statements made regarding the internal condition of Aden and there have been no attacks on the British.

London, February 3rd, 1916.

A fishing trawler has reported to-day to the naval authorities that she has seen the German Zeppelin L 19 in the North Sea in a sinking condition.

London, February 3rd, 1916.

American bankers in London have lately shown interest in the depreciation of German credit in Holland and in view of the increased international importance of American finance, London attaches more than usual weight to their judgment. The decline of German credit in Holland has a particular importance because Holland and Germany, being adjoining countries, nothing but a virtual breakdown of the German export industry could account for the heavy balance of payments against Germany which is indicated by the latest depreciation in the value in Holland of cheques drawn on Berlin. While during the first fourteen months of the war German currency only depreciated 14.7 per cent., between October 1st and December 31st, 1915, the depreciation has increased to 28.7 per cent. This sudden increase in the rate at which German credit has declined in a neutral country where it can best be judged, seems to indicate that Germany's latest military preparations involved something like a complete abandonment of any attempt to maintain a productive industry in that country. Henceforth all Germany's economic efforts must be made, not from wealth newly produced, but from her capital already severely diminished by 18 months of war.

The following is the average weekly quotation from Amsterdam of cheques on Berlin:—Oct. 1st, 50.65; Oct. 8th, 50.38; Oct. 15th,

50.10; Oct. 22nd, 49.73; Oct. 29th, 48.50; Nov. 5th, 47.95; Nov. 12th, 48.10; Nov. 19th, 48.00; Nov. 26th, 47.30; Dec. 3rd, 46.70; Dec. 10th, 45.83; Dec. 17th, 43.58; Dec. 24th, 43.70; Dec. 31st, 43.35.

In this connection a well-informed newspaper critic remarks: "The depreciation of 28.7 per cent. in the value of the mark in Amsterdam means that Germany has to pay more than 140 marks where, with exchange at par, 100 marks would have provided the same amount of Dutch currency for purchases in Holland. Thus it may be said that about 40 per cent. has been added to German prices for goods imported from Holland as a result of the currency depreciation and apart from other causes which have been operating to raise prices. The tremendous depreciation of the mark in Holland, whose frontier was open to imports from Germany is a proof that the German productive resources are far from being equal to providing any margin for export after meeting necessities.

The view is held in many quarters that the end of the war may in all probability bring about a still greater depreciation in the value of the mark, for German stocks of many important materials will be exhausted and before any export trade can be resuscitated, it will be necessary to buy and pay for imported material, a factor which will further depress the value of the mark, unless loans can be obtained from external sources. That loans will be obtained without very much difficulty is unlikely in the bankrupt condition which the country has already reached, so far as its ability to meet even the interest on loans already raised, is concerned.

That the German authorities recognise the seriousness of the situation is indicated by the fact that since the end of 1914 the publication of foreign rates in the German newspapers has been officially prohibited.

The following resumé of extracts from the enemy press dealing with the economic situation in Germany has been received by His Majesty's Minister:—

London, February 3rd, 1916.

The question between wholesale boot merchants and manufacturers regarding the use of inferior materials in boots is discussed by a correspondent of the "Frankfurter Zeitung," of 23rd January. The use of inferior leather or leather substitutes is undesirable, but exclusion altogether is almost impossible in view of the effect of the war on Germany's leather supplies. In the interest of the whole of German economic life, it is vital to use existing leather stocks sparingly. Exports of boots to Austria-Hungary and neutral countries, although welcomed to retain markets and improve the German rate of exchange, is causing a diminution of the already depleted leather stocks at the same time sending up the price of boots on the home market.

The "Deutsche Landwirtschaftliche Presse," of the 19th January reiterates the demand for the abolition of the maximum prices of pork, saying "The chaos continues to prevail on the pig markets." Every day's delay in introducing measures to secure a supply of fresh pork for the urban population permits further thousands of pigs to be snapped up by the sausage and preserve factories, thereby contributing to influence in the most unfortunate manner all other measures taken for securing the food supply.

The Prussian Government has resolved to make an attempt to regulate and improve the supply of animals for slaughter by the creation among dealers of compulsory combines with monopoly rights. An order dated 19th January and quoted in the "Deutscher Reichsanzeiger," of 22nd January, and coming into force on the 15th February, directs the formation in each province of the Kingdom of a combine for the purpose of regulating the sale and prices of living cattle, sheep, and pigs. Membership is compulsory upon all dealers in animals and all agricultural co-operative societies, which deal in animals as principal agents. After the 15 February only the provincial combine itself and such members as have received a permit from the executive may (1) buy cattle, sheep or pigs from any farmer fatterer for the purpose of slaughtering; (2) buy for resale any such animals from any farmer fatterer; or (3) act as agents for the sale or purchase of such animals. Infringements are severely punishable.

According to the "Frankfurter Zeitung" and the "Kolnische Zeitung" of 23rd January, the taxation committee of the war committee of German industry unanimously petitioned the Finance Minister to publish at the earliest opportunity his bill for the taxation of war profits. The committee asks that the bill may be discussed by organisations representative of the interests affected before the Bundesrat gives its final decision. An opportunity must be given to consider whether the bill does not involve the danger of an excessive increase in direct taxation, most seriously endangering the development of German economic life after the war.

The "Kolnische Zeitung" of 22nd January states that the deficit in the municipal budget of Dusseldorf for 1916 will amount to 800,000 marks and will be covered by an increase in the costs due to the municipality from the gasworks, electricity supply and the tramways, necessitating a rise in price of all three services. The recent increases in the German maximum grain prices are denounced by the writer in the "Frankfurter Zeitung" of 23rd January as another example of the dangerous methods which the Government always employ in such matters. The writer points out that in raising prices now in order to encourage early delivery the Government are really levying a fine on the farmers who had the patriotism to respond to the Government's appeal to deliver grain before 31st December.

The "Frankfurter Zeitung," of 19th January, reports another case from Saalfeld, in which the district commissioner threatened farmers with compulsory threshing and with the withdrawal from dilatory farmers of the right to supply themselves with flour from their own grain. The district commissioner of Limberg issued on the 16th of January a strongly worded warning to farmers in his district to observe the regulations regarding grain. The recent increase in the number of prosecutions shows that the farmers are not observing the regulations. The grain has been illegally sold and milled within the district and although every farmer knows that it is a crime against his country to give bread corn to live stock, such cases are continually recurring.

London, 4th February, 1916.

The "New York Tribune" commenting on the appeal of the Belgian bishops, says: "Once again Belgium appeals through the voice of her ministers of God and cries out in the name of religion, not for the justice of humanity in its simpler phases, but for mercy, that men may not be murdered, women dishonoured, children slain and thereafter the nation destroyed to serve the ends and purposes of German tyranny."

The "Globe" says: "Of the many documents produced by the war, not one surpassed this one in dignity, nobility of statement, and, if allowed to become known in Germany, it is scarcely conceivable that it would fail to have a profound influence on German opinion in its indictment of the German Government for what that Government has permitted and authorised is terrific. The Belgian bishops, who are virtually prisoners in the power of the German military commanders, dare to say: 'Relying on our direct experience, we know and affirm that the German army gave itself up in Belgium in a hundred different places to pillage and incendiarism, to imprisoning, massacring and sacrileges contrary to all justice and all sentiment of humanity.'"

London, 4th February, 1916.

The western front saw a renewal of the spasmodic jerks against the Anglo-French line. In the Nieuport district, after firing 20,000 shells, the Germans advanced, but were destroyed by French artillery. South-east of Nieuville, the first German onslaughts were repulsed, but after destroying the French first line of trenches by gunfire, the Germans occupied the craters, which were recaptured by the French next day. On the 26th the Germans gained some ground north of La Folie, but lost to the south of that place. On the 28th four attacks occurred, three of which the French repulsed with heavy losses, but on hill 140 the Germans took 1,600 yards of trenches and 234 prisoners. On the 29th the ground lost was recaptured by the French. On the same day in the Somme

district the Germans, by a vigorous offensive, took Frise village and 1,200 prisoners, being about the number taken from the Germans on the Hartmannsweilerkopf. The French are now engaged in recapturing the ground lost and already some prisoners have been released. On the same day at Compièrre the French artillery smothered a German attack on the same scale, though this was not mentioned in the German communiqués.

The British on the 28th mowed down a German attack at Loos and turned the Germans out of the saps at Carnoy, also doing some daring night-raiding of the German trenches, shaking the German nerves. None of these movements on the western front approach primary importance.

There has been no movement at Salonika except that the French and Bulgarian outposts made touch and mutually withdrew. The Allies occupied the KaraBurun promontory flanking the Salonika Gulf.

The position in Mesopotamia remains unchanged owing to the weather.

General Cadorna issues a report of the year's operations of the Italians, the most significant feature being the estimate of the opposing numbers of Austrians which he computes at twelve army corps. In view of the moderate accounts of the Italian communiqués, this must be accepted without question, though previous guesses put the total at far less.

Hilaire Belloc, the military critic, says that the Austrian wastage on the Italian front is probably not less than 200,000, in view of the fact that there are known to be 30,000 prisoners in the hands of the Italians. Since these are the best Austrian troops, he asks how will the front look when the spring permits a general Allied offensive, when Russia's re-armament is completed and Austria subject to the imperative need of finding some men somewhere to fight on two fronts, possibly three.

The first reports have arrived of the heroic story of the British Adriatic mission, without which the Serbian army would undoubtedly have perished. The mission got food to a scattered army over a trackless country, whose inhabitants were often unfriendly to the Serbians. They paved a way of escape, converted swamps into roads, mended bridges, and established ferries. The Italians nobly assisted in the conveyance of all supplies across the minefield and submarines infesting the Adriatic.

The defeat of the Senussi described last week has utterly disheartened the Arabs and expert opinion says that no further trouble need be feared in that direction.

It is announced that foreign subscribers took forty million pounds' worth of the French war loan. In Canada the patriotic "whirlwind fund" for the troops engaged in the war reached £1,800,000 in a few days. The Australian war loan is over-subscribed and recruiting has never been so vigorous. South Africa has put her railways at the disposal of the Government for the German East African campaign. In both this and the Cameroons everything is going towards sweeping the Germans up satisfactorily.

There is no news from the Russian front, but General Ivanoff apparently has an eye on capturing the Austrian bridgehead on the Dniester at Usciesko. Across the Dniester he can invade Bukowina from the north, turning the enemy's position and covering Czernowitz on the east.

London, 7th February, 1916.

The Secretary of the Admiralty makes the following announcements:—A fire broke out this morning on His Majesty's boarding steamer Peel Castle in the Straits of Dover. Some tugs from Dover and other craft assisted in fighting the fire. No loss of life occurred.

In the German wireless to-day, the "Kolnische Zeitung" reports that from the Dutch frontier it has received information that on the occasion of the recent air raid on this country, H.M.S. Caroline was struck by a bomb in the river Humber and sunk with great loss of life. Neither H.M.S. Caroline nor any other of His Majesty's ships, nor any merchant ship, large or small, was struck by bomb in the Humber nor in any other port.

The following resumé of extracts from the enemy press, dealing with the economic situation in Germany has been received by His Majesty's Minister:—

London, 7th February, 1916.

The German press in general has contended itself with reproducing the official explanation in the words of the Order itself, dealing with the monopoly in foreign exchange, but the "Frankfurter Zeitung," of 25th January indicates frankly its dislike of the new monopoly, which it thinks would have been unnecessary if appropriate measures had been adopted earlier. It complains that the monopoly is the result of secret discussions between the Reichsbank and the big Berlin banks so many legitimate points being thus overlooked. "Die Zeit," of 25th January points out that the creation of a monopoly in Germany places Austrian trade under the thumb of the privileged German banks, as the Austrian market for foreign exchange is dependent on Berlin.

Owing to the enormous quantity of wool necessary for army purposes, the "Nieuwe Rotterdamsche Courant," of 25th January, states that the railway traffic authorities in Bavaria have issued an order limiting the wearing of uniforms to those employees who come in contact with the public, the uniform consisting of a cap and jacket, only to be worn on duty. The employees of the ticket offices and goods departments should not wear any uniform.

The "Neue Freie Presse," of 21st January declares that the army authorities cannot dispense with the use of copper articles in the possession of private households and complains that small business houses, convents, hotels, hospitals and private houses have been slow to surrender such articles voluntarily.

"Die Zeit" of 20th January says that 42,000 houses in Vienna contain at least one copper each and it is doubtful whether manufacturers of iron boilers will be able to produce enough substitutes.

The past year, according to the "Soziale Praxis," of 22nd January, imposed new and heavy sacrifices upon the German trade unions. In consequence of calling men to the colours and

other causes, the number of members probably sunk to half the peace membership. The trade unions had to meet heavy demands, claims for relief were great and the revenue fell off, whereas the recruiting of new members suffered from calling up of officials. Distress among the textile workers prejudicially influenced the development of the unions.

The "Soziale Praxis," of 20th January, states that the new Food Supplies Advisory Committee of the Reichstag discussed the potato question in January. The large quantities of potatoes ordered by the western cities suggests that eating potatoes are being used as fodder on a considerable scale. This is the only possible explanation of the disappearance of enormous quantities of potatoes in many urban districts. The present organisation of the distribution of potatoes is not entirely successful and a careful census of stocks throughout the empire is an indispensable preliminary to new measures.

The "Neue Züricher Zeitung," of 26th January, states that heather is to be cut from the moors of the north-west German plain in order to be used as fodder. After drying it is simply ground in special mills, costing the War Committee for Fodder Substitutes eighty pfennings per hundredweight. This sum probably can be reduced by the employment of prisoners of war from the camps situated on the moors.

A notice in the "Gummi Zeitung," of 17th January, deals with the question of rubber goods for surgery purposes. In regard to supplies for civilian purposes, without doubt, an appreciable shortage exists and it is feared that the hospitals might have difficulty in obtaining an immediate emergency supply. The correspondent emphasises the need of maintaining a sufficient fresh rubber goods in every case where the use of waste rubber involves risk to the patient.

The "Berliner Tageblatt," of 26th January, states that at a meeting of the union of German newspaper proprietors, the exceedingly serious condition of the German newspaper trade was considered, more particularly the question of the supply of paper.