

Mailman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 3

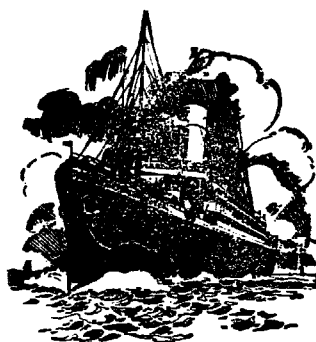
RIO DE JANEIRO, TUESDAY, June 6th, 1916

N. 23

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ARAGUAYA.....	7th June
ORONSA.....	10th ..
DEMERARA.....	23rd ..
DRINA.....	30th ..
DESEADO.....	14th July

ORTEGA.....	15th July
AMAZON.....	19th ..
DARRO.....	28th ..
DESNA.....	4th August
ORITA.....	10th ..

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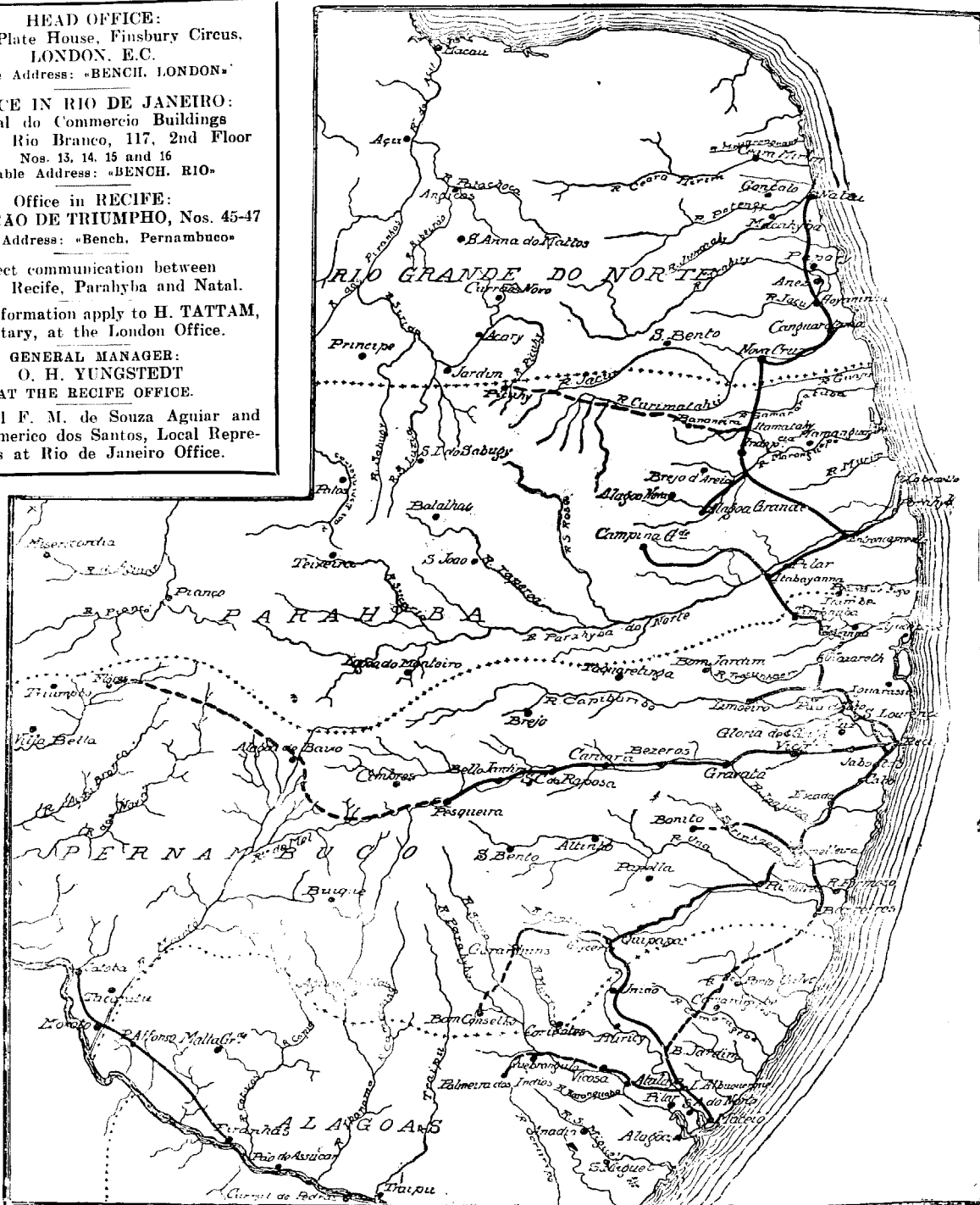
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AT THE RECIFE OFFICE.

Marshal F. M. de Souza Aguiar and
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Capital	£2,500,000
Capital paid up	£1,250,000
Reserve Fund	£1,400,000

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- 7.00 Express—Friburgo, Cantagallo, Macuco and Portella, daily.
- 7.45 Mixed—Macahé, Tuesdays, Thursdays and Saturdays.
- 9.40 Mixed—Friburgo and Cantagallo, week days only.
- 15.35 Passeio—Friburgo, Saturdays and when announced.
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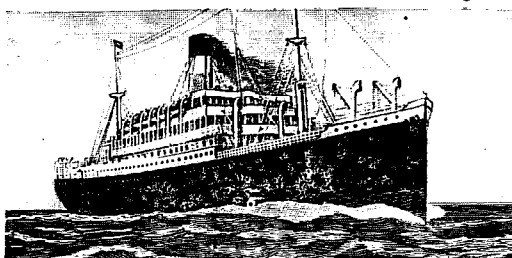
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All steamers fitted with Wireless Telegraphy, Laundry, Gymnasium etc.

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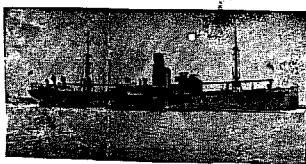
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FOR RIVER PLATE:—

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«Estrella» end June

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PRINSESSAN INGEBORG—About 15th June.
KRONPRINS GUSTAF—About 22nd June.

For further particulars apply to:—

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RIO DE JANEIRO, TUESDAY, June 6th, 1916

No. 23

THE RIO DE JANEIRO FLOUR MILLS & GRANARIES LIMITED.

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"EPIDERMIS". Sales departement 165 » No. 486

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DAILY PRODUCTION : 15.000 BAGS.

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DAILY PRODUCTION 27.000 METRES.

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The Mill's marks of flour are:-

"NACIONAL"

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"SEMOLINA"

"BRAZILEIRA"

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HAVE BEEN AWARDED

Gold Medal Pariz 1889.

First Prize Brazil St. Louis 1904.

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Capital Paid up.....	861,500
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No. 1, January-June, and No. 2, July-December, 1915,

with their respective indices, can be now ordered.

AGENTS:—

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MAIL FIXTURES

FOR EUROPE.

- June 7.—ARAGUAYA, Royal Mail, for Liverpool.
 .. 10.—ORONSA P.S.N.C., for Liverpool
 .. 23.—DEMERARA, Royal Mail, for Liverpool.

FOR RIVER PLATE AND PACIFIC.

- June 8.—DEMERARA, Royal Mail, for River Plate.
 .. 14.—DRINA, Royal Mail, for River Plate.
 .. 17.—ORITA, P.S.N.C., for River Plate and Pacific.
 .. 17.—ZEELANDIA, Holland Lloyd, for Buenos Aires.

FOR THE UNITED STATES.

- June 20.—VAUBAN—Lamport and Holt, for New York.

NOTICE TO BRITISH SUBJECTS.

NEW PASSPORT REGULATIONS.

All British passports issued prior to the 5th of August, 1914, 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.

NOTES

THE MESSAGE OF THE PRESIDENT OF THE REPUBLIC.

Foreign Affairs in 1915. Relations, says the President in his Message to Congress, are, in spite of the war, friendly with all nations, thanks to the maintenance of absolute neutrality between warring interests.

If even a great Power like the United States hesitates to throw her sword into the balance in defence of the principles dear everywhere to democracy, how could the Government of this country, loyal as Brazilian people unquestionably are to the principles the Allies are defending, in her state of unpreparedness, with a considerable contingent of German and Austrian settlers at home to cope with, and an immense coastline of thousands of miles to defend, venture to take one side or the other?

Early in the war, proposals by one of the belligerents for the purchase of arms and ammunition were, in obedience with the President's policy of neutrality, rejected ab initio, as also later on somewhat insidious insinuations on the part of the majority of the Brazilian Press for this country to recoup herself for non-payment by Germany of "commandeered" coffees by seizing the 40 odd German steamers interned in Brazilian waters. At that moment the tonnage question was particularly acute, and it is to the credit of the Government that in spite of all temptations, they never wavered in their determination to keep the country out of the struggle. The futility of such a seizure, advocated even in responsible circles, is evidenced by what occurred in Portugal, where out of some 30 requisitioned German steamers, only five are said to be utilizable, the rest having been put hors de combat by their German owners themselves.

Exports, says the Message, suffered severely in consequence of so many markets being closed to our products; but, to take coffee as an example, seeing that the whole not only of fresh entries, but of the very large stocks existing before the war, are at this moment practically exhausted, it seems doubtful whether the loss of 18.3 per cent. in sterling value compared with the last normal year 1913, could have been made good in any case, had there been no war at all and all markets now closed been available.

Imports were already on the downward course before war had even been declared and, by the end of the first half of 1915, showed a shrinkage of £30,643,000, or 45 per cent. compared with same period of 1913.

This decline was the exclusive effect of the financial pressure that followed the Balkan war.

Compared with 1913 the sterling value of imports fell of 55 per cent. during the first half of 1915, 27 per cent. in the second half, 11 per cent. in the first half of 1914 and 7 per cent. in the last half of same year. Of the total decline, £20,396,000 or 55 per cent. was, as already explained, attributable exclusively to financial pressure and 41 per cent. to the joint effects of continued financial pressure and of the war.

The restriction of imports, moreover, permitted very large balances to be utilised for improvement of the commercial position, in consequence of which the value of imports is now on the increase.

Enforcing economy at a critical moment, the war, so far as it affects Brazil, cannot be regarded as an unmixed evil.

Government had on more than one occasion to intervene, generally with success, to obtain guarantees for merchandise belonging to companies legally constituted under Brazilian law in vindication of the principle, generally recognised in Western countries, that registration of companies, inclusive, even, of shareholders of enemy nationalities, constitutes a legitimate claim for the treatment of such merchandise as national.

The question of the sale and payment of valorisation coffees lying at Hamburg and Antwerp was peculiarly intricate, and if it ever reached the actual relatively satisfactory solution, it is only

because some of the parties interested were personae gratae to the German Government and by virtue of the determination and ability with which the matter was handled by the Brazilian Foreign Office.

When Antwerp fell, and the million odd bags of coffee warehoused there belonging to the S. Paulo Government became the spoil of war, it would have been only consistent with the general tenour of German proceedings had that Government refused any compensation whatsoever, especially as these coffees served as security for British and French loans.

If they did not do so, but, on the contrary, agreed to pay for not only the coffee stored at Antwerp, but some 830,000 bags at Hamburg as well, at the then not unremunerative price of 65M. per bag, it was only because of the energetic remonstrance of the Brazilian Foreign Office. Otherwise the coffee at Antwerp would have been inevitably confiscated. As regards that at Hamburg, the case is different, the 832,000 bags stored there were sold by S. Paulo directly to the German Government at a fixed price and could in no case be regarded as spoil of war. Instead, however, of paying over the proceeds to S. Paulo, they were deposited with the Berlin firm of Bleichroder, ostensibly to obviate their transfer to British bankers, to whom the proceeds of the sale of these coffees had been previously mortgaged. After tedious negotiations, the German Government has at last recognised its responsibility for the deposit, but so far has failed to fix the rate of exchange at which it should ultimately be paid over.

Without the exercise of the greatest patience and diplomacy, not even this concession would have been wrung from the German Government, and S. Paulo might have whistled for her money.

Another very serious complication, that was conjured by the effective intervention of the Brazilian F.O., was the threatened suspension of imports of coffee by France and requisition of the 1¼ million bags of valorisation coffee lying at Havre, parried for the moment, if not definitely resolved.

Next to the United States, France is now the greatest of consumers of Brazilian coffees, and anything that might impede free entry of that product into French ports would be a serious menace to Brazilian trade.

Rubber is almost the only export of importance that has not participated in the rise of prices since the outbreak of war. The reason is not far to seek. Though demand in general, in consequence of the Allied requirements and the abnormal prosperity of the United States, is as heavy as ever, in spite of Germany and Austria being out of the market, the supply is larger still and so keeps prices from rising.

Production in the East increases day by day and for 1916 the world's visible supply is estimated at 194,000 tons, as against 159,981, an increase of 21.2 per cent. on the top of 32.8 per cent. in 1914-15 and 11 per cent. in 1913-14. The war, of course, has restricted and, practically, put a stop to German and Austrian consumption, but has indirectly contributed to the heavy growth of consumption in the United States and some other countries. Indeed, it seems questionable whether, without the war, prices would not be lower to-day than they even are, seeing that rubber can be profitably produced in the East at 1s. 9d. per lb., whereas the price to-day is between 2s. 6d. for Brazilian and 2s. 10d. for Plantation kinds!

It is satisfactory to observe that the menace of a shortage of tonnage has for the moment been resolved, and that there seems now no particular reason to expect a recurrence, now that so much American and neutral tonnage has been attracted to inter-American trade. The Lloyd Brasileiro is not only lending yeoman's service in this crisis, but realising handsome profits; that, if the general financial position permitted, might be put aside to strengthen the position of national shipping at the close of the war, when it is to be expected actual abnormal freights and profits will cease.

Unfortunately the exigencies of belligerents with regard to right of visit and to inspection of cargoes in neutral boats were the cause of such delays as to make the Scandinavian route unprofitable, that last year held out such promise and for the future Lloyd Brasileiro boats, at least, will for the most part be employed on the United States route.

The Brazilian Government refrained from protests against the actions of belligerents, on one side or the other, until concrete cases afforded grounds of assertion of Brazilian rights, in ac-

cordance with the generally accepted interpretation of international law and usages.

The denunciation of the Declaration of Paris by the Allied Powers cannot, says the President, be accepted without protest, in view of the restrictions that the submarine policy of Germany, on the one hand, and the blockade of the Central Powers by the Allies, on the other, have imposed on Brazilian overseas trade. Importation of the products of Germany and Austria is completely paralysed and concessions as regards shipments of German and Austrian products, purchased by Brazilian merchants before the declaration of war, have been neutralised by lack of tonnage for their transport.

The Portuguese Government raised no objection to the free transport of such goods, the difficulty now being to find ships in which to carry them.

So far the Brazilian Government has not succeeded in obtaining licence from belligerent governments for shipment of the anilene dyes local factories stand so badly in need of.

In view of the menace of shortage of tonnage, a decree was issued for expropriation of all Brazilian tonnage.

The Brazilian Government recognises the friendly treatment and attention received from belligerents in spite of all drawbacks caused by the war.

In attention to representations by the Brazilian F.O., measures projected by the Argentine Republic that might have seriously prejudiced our growing export trade in *herva matté* have been postponed.

The year has been one of particular anxiety and activity for the Brazilian Foreign Office, absorbed, as attention was, by complications arising from the war. Nevertheless, the Minister of Foreign Affairs, Dr. Lauro Muller, found time to personally attend the meeting of the A.B.C. (Argentina, Brazil and Chile) plenipotentiaries at B. Aires; to supervise the discrimination of frontiers between this country and Uruguay and with Bolivia; to ratify the convention with France for protection of author's rights; to promulgate the treaty of arbitration between this country and Denmark and of decrees relating to the 4th Pan-American Congress of 1910; approval of the determination come to at the 3rd Conference of 1916; promulgation of decrees referring to the International South American Conference, held at Montevideo in 1913, for defence of agricultural interests; and submittal to the national Congress of the conclusions reached by the International Conference on Foreign Exchange at the Hague. Approval of those of the Sanitary Convention of Paris of 1912 now only awaits assent of the President of the Republic.

The agreements between Brazil and Great Britain and France permitting the transmission of commercial telegrams by specified codes have been renewed for the duration of the war, as also similar arrangements with Portugal and Italy.

The Radio Telegraphic (Wireless) Convention of 1912 has been here put into execution and the rebate on import duties on certain American products been renewed. The provisional commercial agreement of 5th July, 1910, with Italy has been renewed to 31st December, 1917.

God Save the King, the embodiment in public life of the Sovereignty of the Nation and in his private relations a model that Britons everywhere might advantageously imitate. Unsparing of himself or family in this crisis of our history, the King has multiplied his already overwhelming activities, succoured the needy and wounded and encouraged his subjects by his example to still greater efforts. His birthday coincided with the defeat of the German High Seas Fleet and was celebrated by Britons all the world over, even German houses and interned shipping, by an irony of fate, doing involuntary homage to the embodiment of British Power!

The Battle of Jutland. Far from the reverse early German statements made of it, the outcome of this, the first encounter of the British and German High Seas Fleets leaves no shadow of disappointment in British minds, except so far as satisfaction is tempered with grief for the loss of thousands of our ownkith and

kin, sacrificed on the altar of their country, and regret that only an accident of the weather prevented the complete annihilation of the enemy's high fleet.

The function of the fleet is to seek out the enemy and engage it wherever and whenever it ventures from the security of protected harbours. By holding the whole of the German High Seas Fleet the cruiser squadron sacrificed, no doubt, many units, but made it possible for reinforcements to come up in time to give formal battle, overwhelm the enemy and drive him into the security of neutral waters.

No one can suppose that whatever our superiority in men and ships, a war like this could be waged without immense losses on one side and the other, and though the loss of life in this battle is terrible, what is it compared with the holocausts our Allies support at Verdun!

The battle of Jutland was a victory for our side not only because we sunk more and heavier units than the enemy, but drove them into refuge and ourselves remained in indisputable possession of the seas, as we have been from the outset.

The power of Britain vis-a-vis the enemy has not been weakened by this battle but fortified, and it will be long, if ever, before the enemy will be in a position to resume its raids on defenceless harbours or put in an appearance again in force in the North Sea. The losses of the enemy will, moreover, tend to strengthen and encourage our Russian ally in the Baltic and to put fresh vigour into their advance on the Eastern front.

Withal Nature must have her right and the memory of the 6,000 of our own kith and kin who sleep to-day beneath the northern seas would, be desecrated could we even seem to forget or indulge in untimely rejoicings. But grieve as we may, there will be no relaxation in the stern purport of the Empire to endure to the bitter end and rid the world of a Power that has made such fearful sacrifices inevitable!

Toll for the brave—the brave who are no more!

Losses on both sides seem to have been as follows (the year denotes date of commission):—

British	Tons	German	Tons
Queen Mary 1912	27,000	Hindenburg 1915	28,000
Indefatigable 1911	18,750	Kaiser 1912	24,310
Invincible 1909	17,250	Derflinger 1915	28,000
Defence 1909	14,600	Lutzow 1915	28,000
Black Prince 1906	13,550	Westfalen 1909	18,600
Warrior 1907	13,550	Pommern 1907	13,040
		Frauenlob 1904	2,657
	104,700	Elbing 1915	2,600
8 destroyers		Weisbaden 1915	2,600
			147,807

9 destroyers, 1 subm^{ne}. 1 Zepp.

The enemy lost two of his newest and most powerful battle-ships, whilst none have been lost on our side, and only one of our largest battle-cruisers, whilst the total tonnage loss on the British side amounts to 104,700, the Germans have lost 147,807 tons, not counting destroyers on either side, of which the Germans certainly lost more than we, as also a submarine and one or two Zeppelins!

Another such "victory" for the Germans and their navy will disappear for good and all from the seas!

Lord Kitchener. Tuesday Morning.—As we go to press the news reaches us of the loss of Lord Kitchener with all his staff on a cruiser which struck a mine in the neighbourhood of the Orkneys, en route for Archangel.

It is a satisfaction to hear that in view of recent occurrences, arrangements for public entertainments at the Club Central have been cancelled.

Another Funding Loan. The Municipality of Bahia has arranged for the funding of the interest on the foreign loans of 1905, 1906 and 1912, for which 5 per cent. bonds will be issued. The coupon of the 1903 loan falling due on 1st July, 1915, and the

1906 loan on 1st January, 1915, will be paid in cash and subsequent coupons be funded at the rate of £110 of funding bonds for £100 face value of coupons exchanged of the 1905 loan and at £105 in respect of the 1906 loan. The coupons payable 1st Jan., 1915 to 1st Jan., 1919 inclusive, on the 1912 loan will be paid in funding bonds at the par value of coupons. The issue is in charge of the London and Brazilian Bank.

The Correio da Manhã and the Black List. The "Correio" can't leave well alone and unless it be careful will find itself forced to eat humble pie again by indignant readers and subscribers. "Love me, love my pig," said the German when he tried to force his sausages on protesting Mussolans, which for the benefit of the "Correio" and such ilk, may be rendered 'Love me, love my Allies.'

With a tremendous show of erudition, the "Correio da Manhã" under the signature of A. Amaral, in reality begs the question and raises a storm in a teacup over an imaginary issue as to which there can be no possible doubt.

There was never any aim or intention on the part of the British Government to prohibit trading even between its own and enemy subjects in neutral countries, much less to prohibit trading by neutrals between themselves, but to exclusively forbid trading by enemy subjects or blacklisted persons associated with them from trading with British subjects in the United Kingdom or from shipping in British bottoms.

They might ship by any other boats, if they could, without a murmur on our part, nor was any neutral ever prohibited from trading with Great Britain herself, except on very good evidence of connivance with the enemy.

So tender indeed have the British authorities been of neutral susceptibilities and interests that they have refrained in more cases than one from "blacklisting" indisputably enemy firms for fear of prejudicing interests of Brazilian consumers.

French law goes much further and absolutely prohibits any trading whatsoever between French and enemy subjects.

From the very outbreak of the war French bottoms have been denied to both enemy and enemy's agents' cargoes, absolutely without protest. But now that Great Britain, in a far milder form, follows France's example, the "Correio" is scandalised!

There is no question of abuse of power or exercise of sovereignty against the subjects of neutrals or neutrals themselves resident in neutral countries, such as the "Correio" complains of, but purely and simply of the exercise of rights that every sovereign State arrogates to itself, of determining the conditions on which anyone, enemy or neutral, may trade within its own domain!

In his indignation against Britain and tenderness for his German sympathisers, Mr. Amaral has overshot the mark and in the interest of his own countrymen should be cautioned.

As was shown in the number of May 30th of "Wileman's Brazilian Review," the greatest of all beneficiaries of the British blacklist policy on the Amazon are Brazilian shippers, who, in lieu of a paltry 19 per cent., for the last anti-bellum rubber crop, 1913-4, during the five weeks, 8th March-5th April last, in which the black list was operative, accounted for 1,588 tons, or 35 per cent. of all the rubber exported, of which 1,069 tons were shipped in British bottoms and only 519 tons in Brazilian and American!

Not only has rubber been shipped by Brazilian firms at lower prices than by even Brazilian steamers, but, in consequence almost solely of the blacklist, the Germans have been driven from the field and their place occupied to-day by Brazilians, Allies and Neutrals! Q.E.D.

If the "Correio" wants any more demonstrations of the same kind, with regard to coffee, cocoa, or any other product, we are ready to convince them by the logic of figures that even blacklists are not so black as they seem to some imaginations.

G. Amsinck and Co. of New York. The members with full power to act and sign for this firm are as follows:—Justus Ruperti, Adolf Pavenstedt, Baron Fred von Schroder, A. Von Goeben, L. A. Deetjen, F. W. Baumann, G. Von Duhn, J. F. Riedel, Herman Focke, Otto Giese, Herman H. Eggers, J. Frey H. J. Baldamas, Albern W. Williams, C. B. Trube and Luiz Sauchez.

EXCHANGE AND TAXATION.

A letter from Mr. Burnes, of the New York National City Bank:—With regard to your last year's trade balance of £27,000,000. I can only say that Brazil apparently has paid off a considerable portion of her debt to foreigners and for that reason no gold will flow into Brazil. It is quite evident that a process of arbitrage would have compelled the United States to ship gold to Brazil if the exchange rate warranted it. We have no restrictions whatever here and only embargoes abroad prevent shipments of gold from certain countries. For instance, the Bank of France apparently is unwilling to let gold go, and as a consequence they must suffer the depreciation in their exchange. This means a burden on the country, as the inhabitants must pay more for the articles which they import. However, the French Government may think that on account of most of the articles being imported being used in the war, the cost of which must be tremendous in any event and be borne as usual by the public, it is better to keep the gold stock as near as possible intact against paper issues than to let it flow out and so improve the rate of exchange. There seems to be some logic in this, as you will have noticed by the figures published that the gold stocks in Europe have fallen to around 30 per cent., as against a high percentage of 50 or 60 and more usually held in normal times. Further than that, the paper issues seem to be climbing, although not so fast at this minute and that would require of itself that the gold be guarded very carefully. Some of the Norwegian countries at the beginning of the war passed laws prohibiting the export of gold. At the present time I understand they are making the import of gold more or less a burden by a high tax, for which reason the Scandinavian kroner has gone to above 29c. in value. The theory of that may be that the Governments do not wish to import gold, preferring to leave United States exchange at a discount in those countries, as they can buy considerably cheaper in the United States and the profit to the whole community will be commensurate, whereas if they import more gold than they need inflation is likely to result and under present conditions they do not need gold, as the laws which they put into effect regarding currency at the present time would have the same effect as so much gold in ordinary times.

There were a great many people in Brazil who believed that exchange at one time would go to 16d. or probably lower. This was reasonable to expect when we look at the amount of gold held two years ago against the note issues as against the amount held to-day against the old issues and the new ones. The fact that exchange has remained apparently steady between 11d. and 12d. seems to point to the rate having found its level. Understand when I say this I have no good knowledge of what sums have still to be remitted from Brazil during the coming year which might drive the rate further against Brazil, but if we look at this £27,000,000 trade balance and look at the rate of exchange, it would seem that the rate would have gone further against Brazil and that the large trade balance is the only thing that has prevented it from so doing. In that light we can look at this trade balance as though it were a certain amount of money deposited in the Conversion Office as far as its effect on the currency goes. The fact that Brazil does not import gold is not, I think, a satisfactory answer. We must first go back to the presumption that the rate was "officially" maintained during the period of the operation of the Conversion Office. Therefore, was it at that time the correct rate or only an artificial one? Presuming without the Conversion Office having been in operation that the actual value of the milreis would have been around 13d., then the fall that has taken place is not so great as would appear on its face. If the coming coffee crop is able to be exported without any more difficulty than the last year crop, and another balance of trade is rolled up in favour of Brazil, then it is reasonable to suppose that exchange will go higher, and while you still may not import any gold, the true value of the milreis will be more or less ascertained by its rise and under natural conditions without the help of the Conversion Office.

This may mean that in order to import gold, trade balances will have to be piled up year after year; or the value of the par of the coin in Brazil changed to such a point that gold will come in.

[Rates of exchange must always be artificial when supply is inordinately stimulated by loans and entry of foreign capital, as was the case in this country between 1906 and 1912; nor is there any criterion for the determination of whether 12d., 13d., 14d., or 16d. might be the "natural" level, unless it be its maintenance at that level for some considerable time.

Without what Mr. Burnes terms the "official" maintenance of exchange at 16d. and later on at 15d., rates would have inevitably risen much higher in 1906 and 1914, in view of the affluence of finance bills and have fallen much lower than they did afterwards, when the balance of payments turned definitely against the country.

It was, in fact, with the dual object of giving stability to exchanges and promoting the accumulation of gold reserves against the moment that the balance of payments turned against the country, that the Caixa de Conversão was instituted. How well it fulfilled its functions is shown by the fact that for the eight years, 1906-1914, with an interregnum in 1911, the rate was maintained practically at the official level and a reserve built up of £26,772,300 by February, 1914, since dissipated, with the exception of some £5,000,000 still in deposit, in the vain attempt of stemming the adverse current of exchanges that drove rates from 15d. to 11d.

What, however, would have been the position of exchange since 1913, when entry of fresh foreign capital practically ceased, had the £26,772,300, accumulated by the Caixa, not been available?

The "natural" rate of exchange depends not on adventitious increase in the supply of bills resulting from loans and temporary employment in the country of foreign capital in different forms, but on the supply of bills derived from exports sufficing to meet foreign requirements.

The supply of bills depends on the volume and value of exports, and that in its turn on the ability of national production to compete with that of other countries. The more taxation is increased the less will the margin of profit be for producers and consequently their ability to compete with those of other countries. Exports would, consequently, tend to decrease and, as was the case with rubber, their value fall off and exchanges drop, simply because the "natural" level has been altered and disturbed by taxation.

A fresh rise of exchange would only serve to again disturb the "natural" level that seems for the moment to have been attained, only to bring about fresh depreciation unless over-taxation, the fundamental cause of disturbance, can be remedied. It is a vicious circle: over-taxation stops production and exports, drives down exchanges and depreciates the currency: the depreciation of the currency stimulates exports and tends to improvement of exchanges: exchange rises and the cost of production likewise: exports then tend to fall again and exchanges consequently to fall, and so on ad infinitum!

What is wanted is stability not only of exchange, that is an effect not a cause, but of everything and particularly of taxation.]

THE BLACK LIST REVISED AND CORRECTED.

Ahrns, Eduardo, comm. agent, Bahia.
 Albuquerque, Antonio de, merchant, Pará.
 Almeida, M. de Costa, and Co., Rio exporters of coffee
 Armazens Andressen. Soc. Anon., rubber exporters, Manaus.
 Arp and Co., head office, Rio; branches, S. Paulo and Hamburg; arms, ammunition and sewing machines.
 Barza and Co., comm. agents, Pernambuco.
 Bayer, Frederico and Co., head office, Elberfeld, Germany; manufs. of aniline dyes and drugs.
 Behrmann and Co., exporters of coffee and cocoa, Bahia.
 Bellingrodt and Meyer, general importers, Rio de Janeiro.
 Berringer and Co., Pará, rubber exporters, now work through Suter and Co.
 Bezold, Otto, comm. agent, Ceará.
 Bluhm, Bernard, feather exporter, Maranhão.
 Bochmann, A., comm. agent, Pernambuco.
 Borstelman and Co., exporters, Pernambuco and Maceio.

Brando, Carlos, soda water manuf., Florianopolis.
 Breithaupt, Victor, and Co., comm. agents, Santos.
 Bromberg, and Co., head Office, Porto Alegre; importers of hardware, machinery, etc.
 Bromberg, Hacker and Co., head office, Rio; importers of machinery, etc.
 Carioca, Man. Vicente, rubber merchant, Manãos.
 Casa Allema, See Wagner, Shadlick and Co.
 Companhia Commercial, Victoria; proprietor, J. Zuezen, a Belgian; managers, German and Swiss; exporter of coffee, lumber and hides; branch of Ornstein and Co.
 Costa Ferreira, importers, S. Paulo and Santos.
 Dannemann and Co., Bahia; exporters of tobacco.
 Dauch and Co., coffee exporters, Santos.
 Deffner and Co., merchant, Manãos.
 Diaz Garcia, merchant and coffee exporter, Rio de Janeiro.
 Diebold and Co., Santos; coffee shippers.
 Domschke and Co., Bahia; general exporters.
 Eiffler, Bernard, comm. agent, Pernambuco.
 Empresa Navegação Mosqueira and Soure, steamship owners, Pará.
 Englehardt, Carlos, Rio Grande do Sul, produce exporters.
 Ferreira, da Costa, Santos, coffee shipper.
 Ferreira, J. G., merchant, Rio de Janeiro.
 Fischer, Christino, drugs and chemicals, Porto Alegre.
 Fonseca, Arthur, of Carl Hoepecke and Co., S. Fco. do Sul.
 Fonseca and Co., Pará, coal.
 Fonseca, Abilio, partner of above firm, Pará.
 Fraeb and Co., Rio Grande do Sul, Porto Alegre, Pelotas and Hamburg, exporters.
 Freidheim Aguiar and Co., steamship agents, Maranhão.
 Friedrichs and Timmans, Bahia, general exporters.
 Fritz, Engel, Rio Grande do Sul, dry goods.
 Gas-Motoren Fabrik Deutz, head office, Germany; branches at Rio de Janeiro and Pernambuco.
 Graef, Gustavo, comm. agent, Pará.
 Green and Co., exporters, Pará.
 Grifsbach, Max, Pará, importer and agent of Rio firms.
 Guimarães and Co., cover for Arp and Co., Rio de Janeiro.
 Hasenclever and Co., Rio de Janeiro, importers.
 Hoepecke, Empreza, shipping, Florianopolis.
 Hoepecke, Carl, S. Catharina and S. Francisco; exporters, importers and shipowners.
 Hartmann, H., jewellers, Pernambuco.
 Hasenclever and Co., Rio de Janeiro, and S. Paulo, importers.
 Hoffmann, Rudolf, W. H., Pará, commission agent.
 Holzborn, Ernesto, comm. agent, Bahia.
 Huland, Oscar, and Co., comm. agents, Ceará.
 Janowitz Wahle, Rio, S. Paulo, Vienna and Hamburg, importers.
 Jordan Gerken and Co., merchants, S. Fco. do Sul.
 Krause Irmãos, Manãos, Maranhão, Pará and Pernambuco, jewellers.
 Kronke and Co., merchants, Parahyba do Norte.
 Kuchlen, Otto, comm. agent, Pará.
 Landy, Carlos von, Pernambuco, skins, hides and wax.
 Lemcke, Carlos, Porto Alegre, hardware, china, etc.
 Linhares, Louro, cloak for Hoepecke, Florianopolis.
 Lind, von der, steamship agent, Bahia.
 Lobo, M., Manãos, cloak for Semper and Co.
 Lohse and Co., printers, Pará.
 Magnus, James and Co., Rio, general importers.
 Martin, Luiz, Pará, commission agent.
 Meyer Irmãos and Co., Porto Alegre, textiles.
 Motta, Alves da.
 Monteiro, J. A., Rio de Janeiro.
 Monteiro, Santos and Co., cloak for A. Trommel.
 Moreira, Julio Cesar, Rio de Janeiro.
 Naschold, Richard, and Co., importers, S. Paulo.
 Noronha, Carlos de, Rio de Janeiro, importer.
 Ohliger and Co., Pará and Manãos, rubber shippers.
 Ornstein and Co., Rio, coffee shippers.
 Overbeck and Co., W., Bahia, exporters of coffee, cocoa, etc.
 Ottens, K. J., Bahia.
 Petersen, Adolf, and Co., comm. agent, Pernambuco.

Pooock and Co., tobacco exporter, Bahia and Rio, Grande do Sul.
 Pradez, Pierre, coffee exporter, Rio de Janeiro.
 Pralow and Co., Manãos, rubber buyers and shippers.
 Precepta, Da. W. Alves.
 Rombauer and Co., Rio, agents for Austrian steamers, salt importers.
 Rosa, Neves and Co., merchants, Florianopolis.
 Rothschild and Co., printers, S. Paulo.
 Runes and Bark, shipchangers, Santos.
 Schlee, Philip, broker, Manãos.
 Scholz, Waldemar, Manãos, rubber exporter.
 Schumann and Co., exporters, Pará.
 Seligman and Co., Pará, rubber merchants.
 Schneider and Co., Porto Alegre, leather.
 Schoenn, Roberto, Rio, coffee shipper.
 Schlee, Philip, Manãos.
 Scholz, Waldemar, and Co., Manãos, rubber exporters.
 Semper and Co., Manãos, rubber exporters.
 Silveira da Souza, João, cover for Jordan Gerken, S. F. do Sul.
 Sinner, Alf, manager of a Rio firm.
 Simonck and Moreira, comm. agents, Pernambuco.
 Solheiro, Luiz, Pará, Rio de Janeiro (partner of Fonseca and Co. (blacklisted)).
 Stafen, Schnack, Muller and Co., merchants, Corumbá.
 Steiner, Martin, Pará, exporter.
 Steinberg, Meyer and Co., importers, Rio de Janeiro.
 Steinmann and Co., Manãos.
 Steinmann, Emilio E., partner of Semper and Co., Manãos.
 Stender, tobacco merchants, Bahia.
 Strassberger and Co., E., Manãos, merchants.
 Studer, J., Bahia, general exporter.
 Suerdieck and Co., Bahia, cigar manufacturers.
 Teltscher and Co., Porto Alegre, textiles.
 Trommel, A., S. Paulo and Santos, coffee exporters and general importers.
 Urban and Co., Eugen, head office, Rio; branches, Santos and Hamburg, coffee shippers.
 Vasconcellos, José de, Pernambuco, cotton buyer.
 Vianna, Elysio, Pernambuco, commission agent.
 Wagner, Schadlich and Co., also called Casa Allema, Santos and S. Paulo, dry goods.
 Weigandt and Co., printers, Pará.
 Weissflog Bros., printers, S. Paulo.
 Westphalen Bach and Co., merchants, Bahia.
 Whitaker, Ernesto, and Co., S. Paulo and Santos, coffee shippers.
 Wille and Co., Theodor, Rio, S. Paulo, Santos and Hamburg; coffee exporters and bankers.

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

Warship and General Fund	£288 16 7
Prince of Wales' National Relief Fund	27 4 3
	£316 0 10

Rio de Janeiro, 2nd June, 1916. F. S. Pryor, Hon. Treasurer.

THE PATRIOTIC LEAGUE OF BRITONS OVERSEAS.

The annual general meeting of the Rio branch of the Patriotic League of Britons Overseas was held in the saloon of the Club Central, kindly lent for the occasion, Mr. Pryor presiding in the absence of the President, the Rev. Mr. Blogg, left for Europe.

Mr. Pryor moved that H.B.M. Acting-Consul General, Mr. Drummond-Hay, should take the chair, which was unanimously adopted.

On assuming the chair, Mr. Drummond-Hay said:—I have to thank you for the honour which you have conferred upon me in electing me as your president for the ensuing year and in appointing me as your chairman at this, the first annual general meeting of the Rio Branch of the Patriotic League of Britons Overseas. This meeting has been called to assist at the reading of the annual report by the Hon. Secretary, showing that our League has done in the past and what it hopes to do in the future; to receive from the Hon. Treasurer the balance sheet for the past year and to proceed with the election of officers for the coming year. On my own

sympathy with the objects of this League I have no need to dwell and I do not propose to detain you further, but will at once call on Mr. McNeill to present us with his report.

The Hon. Secretary, Mr. McNeill, then proceeded to read the following report:—Ladies and Gentlemen.—At the request of our President, Mr. Drummond-Hay, I have the honour of submitting to you a report on the activities of our local branch of the Patriotic League of Britons Overseas at this, its first annual general meeting. I desire to tell you in as few words as possible what the League as a whole has done in the past, what it is doing in the present and hopes to do in the future, briefly indicating at the same time the efforts which the Rio de Janeiro branch is making to carry out the programme of the parent Society. As you are all aware, the League originated in the idea of aiding in the defence of the Empire. At first it was thought that the most suitable gift would be a contribution to the Admiralty towards the cost of a warship. The Admiralty, however, decided that the money would be better employed if devoted to the equipment of a squadron of seaplanes, with the result that by the end of last year the League presented to the Navy 12 seaplanes of the latest type, costing £42,000. I understand two further units have already been supplied this year. Whilst carrying on this useful work for the Navy, the League placed its machinery at the disposal of the Prince of Wales' Fund, considerable sums having been collected through its channels. The League proposes to widen its scope still further, and to form an organisation for centralising the efforts of all its 131 branches, without necessarily limiting the subscriptions of the central fund to any particular object. With this end in view contributions amounting in all to £583 11s. 2d. have been made for Christmas gifts to the troops, to Queen Alexandra's Field Force Fund and to the British Red Cross Society. Let me now pass to the achievements of our local branch. You will be gratified to hear that our membership is increasing rapidly. In June last the number of members stood at 242, they now number nearly 400. Some, unhappily, have died and others have left to serve their country, but new members are coming in every day. Up to the end of last year £1,366 18s. 1d. was collected for the warship and general funds and £475 17s. 9d. for the Prince of Wales' Fund; the first four months of this year have produced £462 10s. 7d. for general purposes and £142 8s. 1d. for the Prince of Wales' Fund. The total amount subscribed by the Rio Branch from the date of its inception, 27th January, 1915, to the end of April, 1916, is thus £2,447 14s. 6d., a sum which compares very favourably with the contributions of other branches. We recently received a letter from League headquarters hoping that Empire Day might be celebrated in some special manner by British subjects throughout the world, and it was hoped that it would be possible to arrange for an entertainment to be held on that day in aid of the general funds of the British Red Cross Society. We have gladly fallen in with this suggestion and, with the help of Mr. N. G. Mullard, are organising a concert to be given in the Salão dos Empregados do Commercio on the 24th inst., at 9 p.m. We hope to see all our members at that concert and trust that they will bring any of their friends, not yet members to be enrolled on the spot. I hear from Mr. Shearer that a large number of tickets have already been sold. They are in the hands of several sellers, but should there be any difficulty in obtaining them, application should be made to the Secretary, the Consulate General, and Mr. Shearer, of the London and Brazilian Bank. You will find on the table pamphlets containing the League's Empire Day Red Cross appeal. If we had one lesson more than another to learn from our enemies at the beginning of the war, it was that of national organisation. We, who are members of this League, believe that concentration and organisation of patriotic effort will render any services we may happily be able to render to our country more effective. The establishment of a branch of the League here has afforded the opportunity for setting in motion that objective, but it is by the vitality of our own branch and the individual attitude of its members that local success can only be ultimately achieved. So we appeal to each one of you to take now an active part in the work of propaganda amongst your individual friends and personally attend the meetings and entertainments promoted by the League, and, when necessary, to help in their organisation. Finally what is our hope for the future? Simply this: that, when this war is over, the British colony in Rio, welded into one organic whole, shall

have not only rendered effective service to the Empire, but have laid the foundations of an organisation that will serve to bind together the scattered interests of our local community and render co-operation with similar organisations overseas more easy and more effective.

The following statements are attached to the report: Copies of 1915 accounts for both the Patriotic League and Prince of Wales' Fund, as also the appeal from the Red Cross Society for gifts on Empire Day. The election of officers for the ensuing year took place on Empire Day.

The election of officers for the ensuing year resulted in the following members being unanimously approved for the year 1916: President, Mr. Drummond-Hay, M.V.O.; Vice-President Mr. W. H. Troop; Chairman of the Committee, Archdeacon Harris-Rivet; Hon. Treasurer, Mr. F. S. Pryor; Hon. Secretary, Mr. David McNeill; members of the Committee, Messrs. F. Barnes Martin, J. A. Cross, F. Dennis, C. Lloyd, G. A. E. Parr, H. Pullen, C. D. Simmons, H. L. Wheatley and Mark Sutton.

The Hon. Secretary begged members to settle due subscriptions punctually, and so save much trouble and the expense of collection.

A vote of thanks was passed to Mr. Acton for auditing the accounts, to the Central Club for allowing the use of their saloon for this meeting, to Mr. J. P. Wileman for the printing supplied by the Imprensa Inglesa and notices in his Review, and finally to Mr. Drummond-Hay for presiding at this meeting.

EMPIRE DAY.

At somewhat short notice, it was decided to celebrate Empire Day by a concert, held in the saloon of the building of the Society of "Empregados do Commercio." Had longer notice been given it might have been practical to organise something more comprehensive and suited to the tastes of all of the members of the League to some of whom possibly music or formal receptions may not appeal. We suggest that next year something in the shape of a gymkana or athletic sports might be more attractive to a large number of members who do not care much for concerts, but are as desirous as any of showing solidarity with the Empire.

Unfortunately we were unable to personally attend and the information we have received is somewhat bald.

H.B.M. Consul, the President of the League, opened the proceedings with a short speech in which he said:—Ladies and Gentlemen,—I have no intention of boring you with a long speech and I just want to say a few words to explain the reason why we are having this concert. The Secretary of the Rio de Janeiro Branch of the Patriotic League of Britons Overseas has been asked from headquarters to organise a concert or entertainment on this, our Empire Day, and to devote the proceeds to the Red Cross Society. It was decided at a committee meeting to hold a concert and the committee approached Mr. Mullard, who is well known to us all here especially for his musical talent, and he kindly consented to organise this concert. After the interval, and before commencing the second half of the programme, a collection will be taken for this noble work of mercy for our brave men who are fighting and suffering in the cause of liberty, honour and justice and I am sure everyone of you will do your utmost to help. May I also appeal to all the British subjects present here who are not enrolled as members of the Patriotic League to join us and send in their names with a subscription or donation to either Mr. McNeill, the Hon. Secretary, Mr. Pryor, the Hon. Treasurer, or myself at the Consulate General. After the overture Captain Boyle, our Naval Attaché, will say a few words to you regarding Empire Day.

The programme was as follows:—Pianoforte, "Cracovieme fantastique," Miss Mary Coggin; song, "Tommy lad," Mr. W. Mitchell; song, "What's the use," Mr. P. Mason; recitation, "A Fallen Star," Mr. L. P. Gilbertson; song, (a) "Her Rose" (b) "My Laddie," Mme. Roxy King Shaw; song, "It is likely," Mr. N. G. Mullard; Duet, "Watchman, what of the night," Messrs. T. Toole and R. Lewis; song, "I'm just nobody," Mr. W. A. Tulk; song, (a) "In the great unknown," (b) "Until," Mme. Dora Seccombe; song, "O meu boi morreu," Mr. C. J. Corder. Part II—Pianoforte "Les Abeilles," Miss Mary Coggin; recitation, Court scene from "The Merchant of Venice," Mr. L. Espinosa; song, "Archibald, certainly not," Mr. L. Gilbertson; song, "Jack Briton," Mr. W. Mitchell; duet, "The Ragtime Goblin Man," Messrs. W. A. Tulk

and C. J. Corder; song, "Come sing to me," Mme. Roxy King Shaw; song, "All down Piccadilly," Mr. P. Mason; song, "The Seaside Girls," Mr. N. G. Mullard; song, "Mother Machree," Mme. Dora Seccombe; song, "Baby face," Mr. C. J. Corder; God Save the King.

Madame Dora Seccombe's rendering of "Until" and "The Great Unknown" were greatly applauded, as also Mr. C. J. Corder's humorous adaptation of "O Meu Boi Morreu." A vote of thanks to the ladies and gentlemen who so kindly assisted to make this first public celebration of Empire Day a success was proposed by the Vice-Chairman, Mr. Troop, and unanimously carried.

Up to the moment of going to press we have not received a copy of Capt. Boyle's address.

The flowers were kindly supplied by Mrs. Keay and the programmes distributed and collections made to amount of 3:200\$ by the Misses Saville, McNeill, Pryor and Hood.

The net quantity received after payment of all expenses amounted to Rs. 5:200\$.

MONEY

Official Quotations, Exchange Camara Sydical and Vales at Banco do Brazil:—

	90 dys	Sight	Sors	Vales
Monday, 29 May	12 7-32	12 7-64	20\$100	2\$213
Tuesday, 30 May	12 9-32	12 11-64	20\$000	2\$213
Wednesday, 31 May	12 11-32	12 15-64	19\$800	2\$213
Thursday, 1 June	Holiday			
Friday, 2 June	12 23-64	12 1-4	19\$800	2\$213
Saturday, 3 June	12 19-64	12 3-16	19\$800	2\$213
Average for week	12 5-16	12 3-16	19\$900	2\$213
Average for month	12 5-64	11 59-64	20\$250	2\$307

Monday, 29th May. All banks opened at 12 3-16d.; later on the Ultramarino gave 12 7-32d. on some repassed paper offering at 12 1/4d. At the close the Ultramarino drew at 12 1/4d. No money offered and bills extremely scarce.

Tuesday, 30th June. All banks opened at 12 1/4d.; during the day the Ultramarino kept raising its rate until at close it quoted 12 11-32d. and is reported to have drawn at 12 3-8d. No commercial bills were offered, but some repassed paper was done at a fraction over banks' drawing rates. Some speculative selling was reported, but no money offered.

Wednesday, 31st May. All banks opened at 12 5-16d., but 12 3-8d. soon became general. Little money offering at this rate in the early morning, when the market became stagnant, with neither money nor bills offering. Towards the close the Ultramarino is reported to have drawn at 12 13-32d.

Thursday, 1st June. Holiday.

Friday, 2nd June. Banks opened at 12 11-32d. and 12 3-8d., the latter rate becoming general. Towards the close some money appeared at 12 3-8d., with takers of commercial at 12 7-16d., but no bills offering all day.

Saturday, 3rd June. All banks opened at 12 11-32d. and 12 3-8d. Rates declined rapidly until at close some banks only quoted 12 3-16d. No commercial bills offering, but repassed business done at 12 5-16d. and later on at 12 9-32d.

Rio de Janeiro, June 3rd, 1916.

After rising to 12 13-32d. on Wednesday, the market suddenly weakened and closed this evening at 12 3-16d., the same as previous Saturday.

Embarques were very small, 94,110 bags at both ports, and their f.o.b. value at £2.466 per bag amounted to only £232,073, as against £562,000 for the week previous and £600,000 the week before that. Sales were also small, 18,270 bags less than for previous week, whilst entries were likewise smaller by 5,831 bags.

With such a showing it is no wonder that the market should show no backbone, and that with the apparent collapse of the premature speculative rise, and some taking on Saturday the rate should weaken. The managers of the two banks which have been most active in pushing rates lately, are now at Santos, making in-

vestigations, possibly, as to why bills are not more punctually delivered. A good deal of money was paid out last week by the Treasury and of 8,002,000\$ paid to the agent of Krupp, the half in cash came on the market and is responsible in part for the drop on Saturday. Altogether not less than \$1,000,000 dollars are said to have been taken on Saturday and remitted to New York.

Coffee and rubber quotations are about the same as for last Saturday.

From £10,000,000 for the first four months January-April last year, the balance of trade for the same period this year dropped to £6,373,000 or £3,627,000 less than for same period last year. As the crop progresses the discrepancy is likely to be enhanced.

FOREIGN TRADE—APRIL—IN £1,000.

	1913	1914	1915	1916
Exports merchandise	3,515	4,126	4,394	4,295
Imports merchandise	5,850	3,927	2,616	2,929
Balance for or against exports.	-2,335	+ 199	+1,778	+1,366
Previous 3 months	+ 16	+3,519	+8,233	+5,007

Total, 4 months

Increase or Decrease

1913-16

Exports merchandise

Imports merchandise

Compared with 1915, exports show increase of £3,144,000 or 23.5 per cent. for the month of April, but shrinkage of £99,000 compared with 1913. Imports in April show shrinkage of £2,921,000 compared with 1913, but increase compared with 1915 of £313,000 or 11.6 per cent.

The balance of trade for the month shows a further shrinkage from the average of £1,669,000 in favour of exports to £1,366,000 in April.

Revenue Collected in Rio de Janeiro District by Customs and Recebedoria—In Contos of Reis.

	May, 1916		April, 1916	
	Received Gold	Diff. Exch.	Received Paper	Total Paper
From Imports	1,905	2,490	2,599	6,994
Deposits	43	56	176	275
Consumption dues collected at Customs...	—	—	424	424
Total Customs	1,948	2,546	3,199	7,693
At Recebedoria	—	—	—	2,468
Grand total	—	—	—	10,161

Five Months, January-May.

	1916	1915	1915-16
	Paper	Paper	Diff
Derived from Imports	29,967	25,726	+ 4,241
Deposits	990	768	+ 222
Consumption Dues collected at Customs	1,981	514	+ 1,467
Total Customs	32,938	27,008	+ 5,930
At Recebedoria	17,820	14,435	+ 3,385
Grande total	50,758	41,443	+ 9,315
1915	41,443	—	—
1914	55,265	—	—

Differences of exchanges average for May 1.307 per cent.

Reducing gold to paper rat the average exchange of 2\$307, revenues in the aggregate show an increase compared with the month of March of 1.177:000\$ or 13.7 per cent. Customs revenue shows an increase of Rs. 1.366:000\$ or 21.6 per cent, against a decrease of 189:000\$ or 7.1 per cent. at the Inland Revenue Office.

For the five months, January-May, the increase in the aggregate was 9,315,000\$ or 22.4 per cent., of which 5,930,000\$, equivalent to 21.9 per cent. in customs revenues and 3,385,000\$ or 23.4 per cent. in inland revenue. Compared with 1914 the revenues for the five months show a shrinkage of 4,507,000\$ or 8 per cent.

The Emergency Issue. Statement for 3rd June:—

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	18,718\$	
Interest due from banks	17,395\$	
Repaid by banks on account of amort. and int.—		
Cash	6,182,291\$	
Treasury bills	76,473,400\$	
Interest on same	187,028\$	
Expenses of issue	537,588\$	83,380,307\$
		343,438,971\$

LIABILITIES.

Emission authorised	250,000,000\$	
10 per cent. of Customs receipts Rio and Santos ...	2,985,582\$	
Amortisation or loans	86,481,801\$	
Interest on loans	3,971,584\$	
		343,438,971\$

COFFEE

Entries for the week ended 1st June at the two ports show a falling off, one day having been a holiday, of 5,831 bags compared with previous week and of 29,972 compared with corresponding week last year. For the crop to 1st June at the two ports entries aggregated 14,280,127 bags, or 1,865,019 more than for last crop on corresponding date. There seems no question now that the estimate of 3,250,000 for the Rio crop will be realised and probably exceeded, but the Santos crop seems unlikely to go much above 11,600,000.

The weather lately has favoured harvesting and this crop is believed to be particularly early. The bean will be full and heavy and on the strength of it some parties have raised their estimates, but however fine the fruit might be the increase due to yield could not on average be much over 5 per cent. At Rio new crop entries are believed to be about 10 per cent. of the total and 25 to 30 per cent. at Santos. There will be very little low grade coffee at Santos this year.

Clearances at Santos were heavy again for the week under review and for the crop amounted on 1st June to 13,920,690 bags, as against 12,349,033 last year, an increase of 12.8 per cent., their f.o.b. value aggregating £27,125,689, an increase of £2,326,610 or 8.3 per cent.

Stocks at the two ports show increase of 78,499 bags during the week under review, accounted for increase of 90,030 at Santos but shrinkage of 11,531 bags at Rio.

Embarques (cleared at customs) were small, only 94,110 bags or 148,000 less than for previous week and at £2,466 per bag the f.o.b. value aggregated £232,073, as against £562,000 for previous week and £600,000 the week before that.

Sales (declared) at the two ports were very small, 18,270 less than previous week; at Rio they were almost nominal, only 7,955.

Of the total of 304,128 bags **Sailed** during the week under review, 77,532 went to Gt. Britain, 75,632 to Italy, 73,521 to France, 42,403 to the United States, 16,454 to Spain, 10,220 to South America, 2,000 to Denmark and 6,366 coastwise.

Prices. Average quotations for the week ended 1st June compared with the previous week show decline all along the line, with the exception of those for Havre options, which were about the same. Average for the week ending

	May 25	June 1
Rio No. 6, per 10 kilos	7\$626	7\$231
No. 7	7\$353	6\$958
No. 8	7\$081	6\$686
No. 9	6\$809	6\$413
Santos—Superior	7\$400	7\$400
Good average	5\$700	5\$700
New York—Options, July	8.62c.	8.51c.
September	8.77c.	8.65c.
December	8.90c.	8.78c.
Havre—Options, July, 50 kilos	74f.29	75f.50
September	73f.66	73f.66
December	72f.80	72f.80
London—Options, per cwt., July	51/2	50/6
December	53/7	52/7

—Mail advices from Havre to 8th May state that the committee of 12 members of the Chamber of Deputies, assisted by the President of the Syndicat du Commerce de Café have instituted an enquiry as to available stocks, but no resolution has yet been arrived at with regard to the super-tax.

—The firm Maison Schneider et Roltracher, of Cairo, have been fined £5,000 and one of their associates in Switzerland condemned to nine months' imprisonment for dealing with the enemy!

Visible Supply of the World (Laneuville) 1st June, 7,770,000 bags, as against 8,381,000 on 1st May and 8,235,000 on 1st June last year.

Shipments to Scandinavia last month were very large, in fact much larger than this time last year. Altogether 3,043,000 bags have gone to Scandinavia since June, 1915, or 2,043,000 bags more than they can have any domestic use for, seeing that home consumption the three three countries is only 1,000,000 bags. Besides what has gone direct from this country, a large quantity, 400,000 bags or more, was imported indirectly from the United States. The figures for direct exports to Scandinavia from Rio, Santos, Victoria and Bahia compared with last crop are as follows:—

	1915-16	1914-15
July	146,000	22,000
August	340,000	—
September	274,000	19,000
October	537,000	96,000
November	644,000	240,000
December	146,000	222,000
January	250,000	240,000
February	78,000	181,000
March	132,000	189,000
April	*117,000	305,000
May	*379,000	225,000
June	—	68,000
	3,043,000	1,807,000

* Rio and Santos only.

Some of the excess supply probably goes to Russia, but the bulk of it finds its way unquestionably into Germany.

—There is every reason to believe, says an American contemporary, that Brazil will continue to be the centre of activity as a good degree of business management and common sense characterised its control for over a year. Looking back, it is seen how, though not employed, provision to "valorise" the crop was the prime factor in instilling confidence in the financial outlook, which combined with the regulation of entries, saved the market for any serious break of prices. Markets in the United States are in a remarkably satisfactory condition, all concerned, importers,

jobbers, retailers and roasters are making money and selling better coffees year by year. There is practically no speculation and prices never in the history of the trade so obedient to the real factors of demand and supply. The only weak spot is the spot demand, which is not nor has been aggressive for a year, owing to stocks being in fair supply, but jobbers are careful not to pile up stocks in excess of the ten weeks' supply. Any flurry to send the market higher would inside a month strip American markets of their surplus. Another point is the increasing supply of mild coffees.

Estimate of 11,000,000 Bags. (From the New York "Journal of Commerce," of 13 April.) Minford, Lueder and Co. made public yesterday a letter received from an important coffee planter in the interior of the State of S. Paulo, who estimates the coffee crop at from 10,500,000 to 11,000,000 bags. "We will this year," writes the correspondent, "have a very early crop, as the weather conditions have been simply ideal during the past three months. Rain has been abundant and regular, and in consequence of this the general aspect of the plantations is better than it was ever before. It is a pleasure to visit the different estates, as the foliage is really extraordinary on the old as well as the new plantations. It is the same in all the coffee districts of the State of S. Paulo and, therefore, the development of the growing fruit has been very rapid. In consequence of this the quality of the coming crop will be very good and there will be very little low grade coffee, as up to the present time I have seen no trace of the well known sickness of coffee beans ("requeima") and there are also no empty beans ("chocos.") These circumstances will mean a great blessing to the enormous amount of low grade coffee which is still in Santos and of which a good deal will be marketed during the next season, mixed with coffee of higher grades. I repeat that there will be very little low grade coffee for the 1916-17 crop. In spite of the good prices paid at present to planters, the general situation here does not seem to be very good. Only a few of them are up to date with their payments, especially to their Italian colonists. However, these do not complain to their consuls, as this would mean their being sent back to Italy as reservists in order to fight on the front. I estimate that only 2 per cent. of the reservists have returned to Italy to join their colours. As to the Japanese who used to work as colonists, they retire steadily to the towns, so that it is feared that there will be a certain scarcity of labour as soon as the war is over. For the present there is quite sufficient help, especially on those plantations which pay their hands regularly. In my previous letter I told you that I expect the next crop to be 10,500,000 bags, but I believe now for the sake of caution it will be better to say 10,500,000 to 11,000,000 bags. Following are the comparative figures of rainfall during the last two years:—

	1914-15	1915-16
October	68½ m-m	118½ m-m
November	179 m-m	194 m-m
December	268 m-m	114 m-m
January	321 m-m	387 m-m
February	36 m-m	256 m-m

872½ m-m 1,069½ m-m

There is, therefore, a difference of 197 m-m in favour of the present season, or about 2 per cent."

[The publication of this estimate gave rise to certain weakness in New York markets, but as it has since been recovered, it is to be presumed that the impression has been removed by later information from reliable sources. As far as we know, the largest local estimate for the current crop is that of 10,000,000 bags by the S. Paulo Railway, who for financial reasons are scarcely likely to willingly under-estimate the crop.]

—Circular of Minford, Lueder and Co., 20th April:½ The demand for spot coffee has been moderate. There is more disposition to accept bills, but prices are nominally unchanged. Freight rates from Brazil are a little lower and tonnage is in better supply. The visible supply for the United States in comparison with last year is now 15,299 bags more. There are 621,000 bags afloat for this country, of which 493,000 bags are for New York. While firm

offers are lower than last week, the laid down cost remains considerably above prices ruling on the spot. Trading during May and June is usually quiet and under ordinary conditions, prices are generally about the lowest of the crop (excepting when a small crop is to follow). With the interior thought to be well supplied for their present wants, the usual dull period would not be surprising, but there is nothing in sight that would lead us to anticipate a material decline. This especially applies to desirable selections of Santos.

Cost and freight sales have been light. Offers have been lower partly accounted for by cheaper freight rates. There has been a fair amount of offers for July to September shipment, but at prices not attractive to buyers.

Trading in coffee futures has been more attractive during the week, with gradually declining prices, caused by May liquidation and the reaching of stop-loss orders. With prices of futures low in comparison with those of actual coffee, together with the fact that there has been considerable liquidation, thus reducing the outside interest, we see no reason to expect any sharp change either way. It is a narrow market, and with present political conditions, we are inclined to advise awaiting further developments before entering into new operations. To-day the market is barely steady at from 14 to 30 points decline from last Friday's close.

The political events during the week are of sufficient momentum to explain the further decline of the market. At the time of writing there is a steady tone prevailing, but there is no disposition to trade, which may easily be explained, as nobody knows exactly how the position of coffee would be affected by further international complications. There would be a great increase in the difficulties to shipping to Europe at least. It was the apprehension of a situation just like the present one which caused us to give out rather bearish information contained in our circular of April 11th, which we had received from our friends in Brazil, and

which permitted many of our friends to get out of their long contracts before the decline. As to the future, we are inclined to believe that the actual situation will have no serious consequences and that coffee, now that it has declined about 40 points from the highest, will be a good purchase, when the present tension subsides. Of all commodities which have been affected by the present war and have already advanced materially, coffee may be considered as still being by far the cheapest and liable to profit by any favourable turn in international affairs. Our feeling remains, therefore, that it will sell considerably higher in the latter part of the year.

—Circular of Minford, Lueder and Co., 28th April, 1916:¼ The demand for spot coffee has been light. The visible supply for the United States has increased and is now 110,392 bags larger than last year. The deliveries for April are considerably larger than in March, but smaller than in April last year. The receipts for the 1915-16 crop have reached 14,000,000 bags. The receipts for May and June for the two previous crops were 1,000,000 bags and the estimate of 15,000,000 bags for the present crop will probably turn out correct. Nothing of importance has transpired. Present prices should hold good, especially as quotations in producing markets show that European order enable exporters to secure better prices than the United States buyers are willing to pay.

Only moderate cost and freight sales have been made. The Brazil markets are reported firm, and prices very high for new commitments. The offers show but little change excepting for Rio 7s which are ½c. higher. Sales have been made of Santos 4s at 10.20c. and 7-8s at 8.90c.

The trading in futures has been good, with gradually advancing prices. The market continues narrow and easily influenced by orders either way. There were notices for only 5,000 bags sent out for delivery on May 1st and the interest in that month appears pretty well liquidated. The conditions governing prices of futures warrant the belief that there is little danger of a marked decline and rather favour the buying side. To-day, the market closed steady at from 35 to 44 points advance from last Thursday's close.

The coffee market is firm and it looks like going higher. This is the plain fact and there seems to be very little use of saying much to the contrary. This sentiment may be explained in many ways: partly by the moderate receipts and partly by the firmer exchange and higher offers. People pay little attention to the fact that

prices in Brazilian currency are high, that the Central Powers are excluded from imports, and that spot demand in this country is not what it should be. There is simply a dominating feeling that of all commodities coffee is still the cheapest and this is illustrated by the fact that wherever the market is weaker there are two buyers to one seller. Moreover, there is no doubt but that the next crop will be a moderate one, and last, but not least, everybody feels that the present state of affairs in Europe will not last indefinitely. Politics as well as markets nowadays seem to be ruled not so much by necessities and logic as by what people want to believe, and there is certainly now a tendency to believe that coffee should become dearer just because everything else is dear. Time only will show if this kind of reasoning will be justified by events and how far the governing diminution of the world's wealth and the destruction of property will affect coffee. Brazilian planters having made money, the same as have the cotton planters in the United States, seem to be willing and able to defend their produce and hold off during the next season, and this may become a very important factor, the possible influence of which should not be under-rated. We have received a letter from one of our Brazilian friends telling us that the preliminary preparations in connection with the harvesting of the next crop are proceeding rapidly, that the crop is ripening quickly and regularly, and that perhaps even as early as about middle of May new crop coffee may make its appearance in Santos. This is about a fortnight to three weeks earlier than in normal seasons.

Coffee Statistics

ENTRIES.

IN BAGS OF 60 KILOS.

RIO	FOR THE WEEK ENDED			FOR THE CROP TO	
	Jun. 1 1916	May 25 1916	Jun. 3 1915	Jun. 1 1916	Jun. 3 1915
Central and Leopoldina					
Ry.....	22,736	22,769	46,728	2,641,536	2,711,247
Inland.....	—	733	897	86,066	85,045
Coastwise, discharged..	—	550	—	162,840	72,848
Total.....	22,736	24,452	47,725	2,890,466	2,869,140
Transferido from Rio to Niotheroy.....	—	—	1,094	71,820	45,006
Net Entry at Rio.....	22,736	24,452	46,631	2,818,636	2,824,134
Niotheroy from Rio & Leopoldina.....	—	—	6,194	323,416	378,815
Total Rio, including Niotheroy & transit.	22,736	24,452	52,825	3,141,052	3,202,949
Total Santos:	42,114	46,229	41,997	11,139,075	9,212,159
Total Rio & Santos.	64,850	70,681	94,822	14,280,127	12,415,108

The coast arrivals for the week ended June 1st, 1916, were from:—

The total entries by the different S. Paulo Railways for the Crop to June 1st, 1916 were as follows

	Past Jundiahy	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remaining at S. Paulo
1915/1916	9,075,719	1,951,049	11,026,769	11,139,075	—
1914/1915	7,581,165	1,629,935	9,211,100	9,212,159	—

FOREIGN STOCKS. IN BAGS OF 60 KILOS.

	June 1/1916.	May 25/1916.	June 3/1915.
United States Ports...	1,356,000	1,429,000	1,266,000
Havre.....	2,064,000	2,073,000	1,940,000
Both.....	3,420,000	3,502,000	3,206,000
Deliveries United States	120,000	85,000	101,000
Visible Supply at United States ports.....	1,749,000	1,853,000	1,623,000

SALES OF COFFEE.

During the week ending June 1st, 1916.

	June 1/1916.	May 25/1916.	June 3/1915.
Rio.....	7,955	5,225	31,176
Santos.....	27,000	47,000	23,862
Total.....	34,955	52,225	54,558

COFFEE LOADED (EMBARQUES). IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP TO	
	1916 June 1	1916 May 25	1915 June 3	to 6 June 1	1915 June 3
Rio.....	9,257	16,642	61,373	2,860,372	2,869,763
Niotheroy.....	—	—	2,912	332,340	370,525
In transit.....	—	—	—	—	—
Total Rio including Niotheroy & transit.....	9,257	16,642	64,285	3,212,712	3,240,288
Santos.....	84,853	229,068	66,720	10,917,129	10,771,188
Rio & Santos.....	94,110	242,110	131,005	14,129,841	14,011,476

COFFEE SAILED.

During the week ending June 1st, 1916, were consigned to the following destinations:—

IN BAGS OF 60 KILOS.

PORTS	UNITED STATS	EUROPE & MEDITER- RANKAN	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio.....	2,250	—	5,281	—	—	3,674	11,205	3,213,620
Santos.....	40,163	245,403	1,085	5,722	—	560	292,923	11,009,183
1915/1916..	42,403	245,403	6,366	5,722	—	4,234	301,128	14,223,283
1914/1915..	79,366	124,569	12,521	3,594	—	—	220,040	12,572,223

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS.

During the week ending June 1st, 1916.

IN BAGS OF 60 KILOS.

	June 1	May 25	June 1	May 25	Crop to June 1/1916
	Bags	Bags	£	£	£
Rio.....	5,924	12,451	13,695	30,060	2,984,373
Santos.....	291,838	212,902	720,548	525,655	10,936,317
Total 1915/1916..	297,762	225,353	734,243	555,715	13,920,690
do 1914/1915..	207,428	131,195	367,362	228,878	12,349,033

COFFEE PRICE CURRENT.

During the week ending June 1st, 1916.

	May 26	May 27	May 29	May 30	May 31	June 1	Ave rage
RIO—							
Market N. 6 10 kilos	—	—	—	—	—	—	—
» N. 7	7.218	7.218	7.286	7.218	7.552	—	7.231
» N. 8	6.945	6.945	7.013	6.945	7.286	—	6.958
» N. 9	6.673	6.673	6.741	6.673	7.013	—	6.686
» N. 9	6.400	6.400	6.469	6.400	6.741	—	6.418
SANTOS—							
Superior per 10 kilos...	7.400	7.400	7.400	7.400	7.400	7.400	7.400
Good Average.....	5.700	5.700	5.700	5.700	5.700	5.700	5.700
N. YORK, per lb..							
Spot N. 7 cent.	—	—	—	—	—	—	—
» N. 8 »	—	—	—	—	—	—	—
Options—							
» July..... »	850	849	845	856	855	853	851
» Sept..... »	863	864	860	869	868	865	865
» Dec..... »	878	877	877	881	881	878	878
HAVRE per 50 kilos							
Options..... francs							
» July..... »	75.75	—	75.75	75.50	75.00	—	75.56
» Sept..... »	74.50	74.25	74.25	73.00	73.00	73.00	73.80
» Dec..... »	73.50	73.50	73.00	72.00	72.00	—	72.80
HAMBURG per 1/2 kilos							
Options..... pfennig							
» July..... »	—	—	—	—	—	—	—
» Sept..... »	—	—	—	—	—	—	—
» Dec..... »	—	—	—	—	—	—	—
LONDON cwt							
Options..... shillings							
» July..... »	50 3	50 3	50 1	50 9	51/-	50 9	50 6
» Sept..... »	—	—	—	—	—	—	—
» Dec..... »	52 9	52 1	52 3	52 9	53/-	52 9	52 7

OUR OWN STOCK. IN BAGS OF 60 KILOS

RIO Stock on May 25th, 1916.....	180.53 ³
Entries during week ended June 1st, 1916.....	22.73 ⁶
	203.269
Loaded "Embarques", for the week June 1st, 1916.	9.257
	194.012
STOCK IN RIO ON June 1st, 1916.....	
Stock at Nictheroy and Porto da Madama on	
• May 25th, 1916.....	8 129
• Afloat on May 25th, 1916.....	91.514
Entries at Nictheroy plus total embarques including transit.....	9.257
	109.900
Deduct: embarques at Nictheroy, Porto da Madama and Vianna and sailings during the week June 1st, 1915.....	11.205
	97.695
STOCK IN NICTHEROY AND AFLOAT ON June 1st, 1916.....	
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and AFLOAT ON June 1st, 1916.....	291.707
SANTOS Stock on May 25th, 1915.....	585.640
Entries for week ended June 1st, 1915.....	42.114
	627.654
Loaded (embarques) during same week.....	84.853
	542.801
STOCK IN SANTOS ON June 1st, 1916....	
Stock in Rio and Santos on June 1st, 1916....	834.508
do do on May 25th, 1916....	913.007
do do on June 3rd, 1915....	574.409

CURRENT COFFEE FREIGHT RATES.

(Per 1,000 kilos in full if not otherwise stated.)

Algiers.....	245 francs in full
Amsterdam.....	200s. and 5 per cent.
Bône.....	245 francs in full
Bougie.....	245 francs in full
Bergen.....	217s. in full
Bilboa.....	170 francs and 10 per cent.
Buenos Aires, per bag.....	35000
Christiania.....	217s. in full.
Copenhagen.....	202s. 6d. and 5 per cent.
Coruna.....	170 francs and 10 per cent.
Dakar.....	245 francs in full
Genoa.....	300 francs and 5 per cent.
Gibraltar.....	245 francs in full
Gijon.....	170 francs and 10 per cent.
Gothenburg.....	216s. in full.
Havre, per 900 kilos.....	215 francs and 10 per cent.
Las Palmas.....	245 francs in full
Liverpool.....	Cargo 185s. & 5 p.c., mail 215s. & 5 p.c.
London.....	Cargo 185s. & 5 p.c., mail 215s. & 5 p.c.
Malmo.....	217s. in full.
Marseilles.....	210 francs in full.
Montevideo, per bag.....	38000
Mostaganem.....	245 francs in full
New York, per bag.....	81.40 and 5 per cent.
New Orleans, per bag.....	81.30 in full.
Oran.....	245 francs in full
Santander.....	170 francs and 10 per cent.
Stockholm.....	216s. in full.
Valparaiso.....	120s.
Vigo.....	170 francs and 10 per cent.

SPAIN—JULY—

Bilboa.....	250 francs and 10 per cent.
Coruna.....	250 francs and 10 per cent.
Gijon.....	250 francs and 10 per cent.
Santander.....	250 francs and 10 per cent.
Vigo.....	250 francs and 10 per cent.

MANIFESTS OF COFFEE.

RIO DE JANEIRO

-ORTEGA—Valparaiso.....	McKinley & Co.....	1,200
ditto.....	Stolle Emerson & Co.....	900
ditto.....	Castro Silva & Co.....	250
ditto.....	Jessouroun Irmaos.....	90
ditto—Punta Arenas.....	Norton Megaw & Co.....	484
ditto.....	Castro Silva & Co.....	150
ditto—Taleachuanano.....	Stolle Emerson & Co.....	250
ditto—Antofagasta.....	Stolle Emerson & Co.....	100
ditto.....	Castro Silva & Co.....	100
ditto—Iquique.....	Castro Silva & Co.....	150
		3,674
-EASTERN PRINCE—N. York.....	Hard, Rand & Co.....	2,000
ditto—New York.....	Louis Boher & Co.....	250
		2,250
	Total overseas.....	5,924
-MAYRINK—S. Francisco.....	Stolle Emerson & Co.....	350
-MARANHÃO—Maranhao.....	Ornstein & Co.....	20
ditto.....	Eugen Urban & Co.....	320
ditto—Santarem.....	Pinheiro & Ladeira.....	50
ditto—Obidos.....	Pinheiro & Ladeira.....	20
ditto—Manaos.....	Castro Silva & Co.....	80
		490
-RIO DE JANEIRO—Pará.....	Theodor Wille & Co.....	180
ditto.....	Castro Silva & Co.....	110
ditto.....	Eugen Urban & Co.....	190

ditto.....	J. Germano Ferreira.....	295
ditto.....	Ornstein & Co.....	250
		1,025
-BAHIA—Maranhao.....	Eugen Urban & Co.....	125
ditto.....	Zenba Ramos & Co.....	20
ditto.....	Ornstein & Co.....	305
ditto.....	Theodor Wille & Co.....	30
ditto—Pará.....	Theodor Wille & Co.....	235
ditto—Itiacoatara.....	Theodor Wille & Co.....	65
ditto—Manaos.....	J. Germano Ferreira.....	590
ditto.....	Theodor Wille & Co.....	10
ditto.....	Eugen Urban & Co.....	210
		1,500
-SATUBNO—Corumba.....	Albano Carvalho & C.....	—
		15
-AMAZONAS—Maceio.....	McKinley & Co.....	—
		73
-MANTIQUEIRA—Macau.....	Sequeira & Co.....	30
ditto—Mossoro.....	Eugen Urban & Co.....	100
ditto—Amarração.....	Eugen Urban & Co.....	125
		255
-ITAGIBA—Rio Grande.....	Ornstein & Co.....	25
ditto—Pelotas.....	Ornstein & Co.....	285
ditto—Porto Alegre.....	Ornstein & Co.....	20
ditto.....	McKinley & Co.....	300
ditto.....	Eugen Urban & Co.....	250
		883
-ITATINGA—Pelotas.....	Eugen Urban & Co.....	25
ditto—Porto Alegre.....	Castro Silva & Co.....	100
ditto.....	Eugen Urban & Co.....	100
		225
-ITASSUCE—Pelotas.....	Stolle Emerson & Co.....	20
ditto—Porto Alegre.....	Stolle Emerson & Co.....	200
ditto.....	Sequeira & Co.....	25
		245
-ITAPEMA—Pelotas.....	Ornstein & Co.....	200
ditto.....	Castro Silva & Co.....	25
		225
-PYRINEUS—Antonina.....	Brandao Alves & Co.....	—
		1
	Total coastwise.....	5,281

SANTOS

-BALMES—Barcelona.....	Société F. Bresilienne.....	2,575
ditto.....	Cia. Prado Chaves.....	1,500
ditto.....	Francisco Tenorio.....	1,250
ditto.....	Nauman Gepp & Co.....	125
ditto.....	Hard, Rand & Co.....	125
ditto—Sevilha.....	Nauman Gepp & Co.....	1,250
ditto.....	Prado Ferreira & Co.....	1,000
ditto.....	Francisco Tenorio.....	805
ditto.....	J. de Almeida Cardia.....	625
ditto—Cadiz.....	Nauman Gepp & Co.....	750
ditto.....	Juan Siere.....	400
ditto.....	J. de Almeida Cardia.....	100
ditto—Gibraltar.....	J. de Almeida Cardia.....	650
ditto.....	Nauman Gepp & Co.....	500
ditto—Malaga.....	Hard, Rand & Co.....	500
ditto.....	Nauman Gepp & Co.....	250
ditto.....	J. de Almeida Cardia.....	175
ditto.....	Prado Ferreira & Co.....	100
ditto.....	Troncoso Hermanos.....	32
ditto—Huelva.....	Francisco Tenorio.....	839
ditto.....	Hard, Rand & Co.....	125
ditto—Valencia.....	J. de Almeida Cardia.....	250
ditto.....	Nauman Gepp & Co.....	125
ditto.....	Troncoso Hermanos.....	27
ditto—Santander.....	Prado Ferreira & Co.....	1,000
ditto—Vigo.....	Prado Ferreira & Co.....	350
ditto—Las Palmas.....	Nauman Gepp & Co.....	250
ditto—Mellila.....	J. de Almeida Cardia.....	200
ditto—S. Sebastian.....	G. Tommaselli & Co.....	200
ditto—Avilez.....	J. de Almeida Cardia.....	250
ditto—Gijon.....	Prado Ferreira & Co.....	125
		16,454
-ANTWERPEN—Copenhagen.....	Ed. Johnston & Co.....	1,500
ditto.....	M. Wright & Co.....	250
ditto.....	Hard, Rand & Co.....	250
		2,000
-A. R. GENOUILLY—Havre.....	Dom. F. Martins.....	—
		4
-CARDIGANSHIRE—London.....	Nauman Gepp & Co.....	23,000
ditto.....	Hard, Rand & Co.....	17,237
ditto.....	Ed. Johnston & Co.....	15,000
ditto.....	J. Osorio.....	6,050
ditto.....	Cia. Prado Chaves.....	3,750
ditto.....	Nioac & Co.....	3,225
ditto.....	Malta & Co.....	3,000
ditto.....	M. Wright & Co.....	2,020
ditto.....	Société F. Bresilienne.....	2,000
ditto.....	Prado Ferreira & Co.....	1,000
ditto.....	E. Alves Toledo & Co.....	750
ditto.....	Santos Coffee Co.....	500
ditto—Havre.....	Nioac & Co.....	13,277
ditto.....	Nauman Gepp & Co.....	8,000
ditto.....	Société F. Bresilienne.....	8,000
ditto.....	Whitaker Brotero & C.....	7,500
ditto.....	Leyv & Co.....	5,000
ditto.....	Leon Israel & Co.....	5,000
ditto.....	E. Alves Toledo & Co.....	4,250
ditto.....	Cia. Prado Chaves.....	4,250
ditto.....	Picone & Co.....	3,000
ditto.....	A. do Amaral & Co.....	3,000
ditto.....	Ed. Johnston & Co.....	2,288
ditto.....	Malta & Co.....	2,288
ditto.....	J. Osorio.....	2,950

Ditto—	"	M. Wright & Co	2,000	
Ditto—	"	J. de Almeida Cardia	1,000	
Ditto—	"	S. Queiroz Lins & Co.	1,000	
Ditto—	"	Prado Ferreira & Co.	1	
Ditto—	"	Cia. Mech. Import.	1	151.049
26—A. RAVEN—New York		Arbuckle & Co	—	40.153
—JACUHY—Havre		R. Alves Toledo & Co.	28,000	
Ditto—	"	J. Osorio	2,000	30.000
Ditto—	"	Mihomens & Co	600	
Ditto—	"	Stolle Emerson & Co.	200	800
—ORTEGA—Valparaiso		Francisco Tenorio	500	
Ditto—	"	S. Queiroz Lins & Co.	60	560
—R. DE JANEIRO—B. Aires		F. Lima Nogueira	600	
Ditto—	"	Cia. Nacional de Café	500	
Ditto—	"	R. Alves Toledo & Co.	419	
Ditto—	"	Malta & Co	182	
Ditto—	"	Diebold & Co	150	
Ditto—	"	Dauch & Co	125	
Ditto—	"	Zerrenner Bulow & C.	30	2,006
—ARAGUAYA—B. Aires		Société F. Bresilienne	1,016	
Ditto—	"	Nauman Gepp & Co.	1,000	
Ditto—	"	Mihomens & Co	500	
Ditto—	"	Société F. Bresilienne	400	2,916
—T. DI SAVOIA—Genoa		Leite Santos & Co	4,000	
Ditto—	"	Picone & Co	2,500	
Ditto—	"	Cia. Prado Chaves	1,000	
Ditto—	"	J. Osorio	1,000	
Ditto—	"	G. Tomaselli	1,070	
Ditto—	"	J. de Almeida Cardia	500	
Ditto—	"	Souza Q. Lins & Co.	500	
Ditto—	"	Levy & Co	500	
Ditto—	"	A. Fiegoli & Co	97	
Ditto—	"	Sundry	25	11.132
—NEWQUEEN—Genoa		Stolle Emerson & Co.	—	34.500
—P. DE SATRUSTEGUI—Vigo		J. de Almeida Cardia	125	
Ditto—	"	Nauman Gepp & Co.	125	
Ditto—	"	Ribas Hermanos	14	264
		Total overseas	—	291,838

SANTOS—COASTWISE.

—SERGIPE—Maranhao		R. Vasconcellos	250	
Ditto—	"	Eugen Urban & Co	230	
Ditto—Pará		Stolle Emerson & Co.	350	
Ditto—	"	Eugen Urban & Co	50	885
—ITAPEMA—Pelotas		Venacio de Faria	—	200
		Total coastwise	—	1,085

PER DESTINATIONS

PER SHIPPERS.

Grea Britain	77,532	American	101,340
Italy	75,632	Brazilian	91,333
France	73,521	British	61,329
United States	42,443	French	27,519
Spain	16,154	Italian	15,966
South America	10,220	German and Austrian	275
Denmark	2,111		
Overseas	297,762	Overseas	297,792
Coastwise	5,281	Coastwise	5,281
Total	303,043	Total	303,043

SHIPPING COMPANIES.

British	161,253
American	40,153
Uruguayan	34,500
Italian	11,132
Brazilian	30,000
Spanish	16,718
Norwegian	2,606
(x) Danish	2,006
Overseas	297,762
Coastwise	5,281
Total	303,043
(x) s.s. Hammershus time chartered by Funch Edge & Co. N. York.	

Exports of Hides for the Three Months, January-March.
In tons of 1,000 kilos.

	1913	1914	1915	1916
Allies				
Great Britain	92	369	1,462	1,281
France	2,556	3,183	532	752
Italy	160	72	63	109
Portugal	117	157	128	450
Gt. Britain, order	671	386	694	—
Neutrals				
Argentina	—	70	159	239
United States	239	242	3,818	7,077
Greece	—	—	—	40
Paraguay, in transit	—	1	—	13
Uruguay transit	508	574	486	856
Enemy				
Austria	22	104	—	—
Germany	2,072	2,646	—	—
Belgium	894	62	—	—
occupied by enemy				
Total, tons	7,331	7,866	7,342	10,817
Value, in £1,000	441	508	500	864

For the first quarter of the three years 1913-15, exports of hides was practically stationary, but in the same period 1916 took a great jump of over 47 per cent. in consequence naturally but somewhat out of proportion to the growth in exports of meat, which show an increase of over 3,000 cwt. compared with 1915. Where have the other hides gone to say that if meat exports increase to such a degree those of hides should increase at a similar ratio or must have been exported clandestinely or retained in the country, which seems improbable. To all the countries specified, exports were largest to the United States, 86 per cent. of the whole, followed by Great Britain with only 11 per cent. Altogether the Allies accounted for 24 per cent. and Neutrals for 76 per cent. of the total. The enemy, of course, getting nothing directly, according to these statistics.

Exports of Tobacco for the Three Months, January-March.

In tons of 1,000 kilos.

	1913	1914	1915	1916
Germany	6,790	5,466	—	—
Argelia	—	—	5	—
Argentina	550	531	912	295
Belgium	—	1	—	—
Chile	1	—	—	—
Denmark	—	—	8	87
United States	7	—	—	3
France	—	—	302	704
Gt. Britain	8	4	12	46
Gibraltar	—	—	—	1
Spain	—	—	—	112
Holland	—	—	1,182	1,999
Italy	—	—	127	—
Portugal	1	3	744	122
Norway	—	—	—	71
Sweden	—	—	120	—
Uruguay	32	279	282	233

Total, tons 7,389 6,284 3,694 3,673
Value per ton, £ 57.3 58.1 46.9 44.4

Exports in the aggregate were about the same in quantity as last year, but 41.5 per cent. below same period 1914 and 50.3 per cent. below the normal year 1913.

Holland, to which country nothing was exported in 1913 or 1914, accounted in 1915 for nearly 34 per cent. of total exports and in 1916 for 54 per cent. Spain likewise for the first time figures amongst importing countries. The large exports to Portugal in 1915 were for deposit at the free port of Lisbon, for re-export probably to France or Holland. Before the war France bought only indirectly through Hamburg, but in 1915 over 8 per cent. of Brazil's total exports and 19 per cent. in 1916.

Compared with 1914 f.o.b. value per ton shows decline of 23.6 per cent. and of 22.4 per cent. compared with 1913.

Exports of Chilled and Frozen Meat.

For the Year 1915.

	Tons	Milreis Currency
From—Para	4	2,800
Rio de Janeiro	564	379,687
Santos	7,946	5,739,112
Total	8,514	6,121,599
Equivalent in £	—	309,706

	Tons	Milreis Currency
To—United States	1,997	1,477,182
France	101	74,448
Great Britain	4,360	3,151,138
Italy	2,056	1,418,831
Total	8,514	6,121,599

For the 1st Quarter, January-March, 1916.

	1915 Tons	1916 Tons	1915 Milreis Currency	1916 Milreis Currency
From—Rio de Janeiro	1	1,341	369	939,236
Santos	134	2,936	80,734	2,339,684
Total	135	4,277	81,103	3,278,920
Equivalent in £	—	—	4,327	156,179

	1915 Tons	1916 Tons	1915 Currency	1916 Currency
To—United States	—	605	—	484,438
France	38	2,433	22,944	1,812,207
Great Britain	76	957	46,569	757,306
Italy	21	281	11,590	224,969
Total	135	4,276	81,103	3,278,920

Export of chilled and frozen meat commenced in 1914 with an experimental shipment from Santos of 1½ tons, valued at 1:100\$. By 1915 shipments had attained 8,514 tons, of which 51 per cent. went to the United Kingdom, 24 per cent. to Italy and same percentage to U.S.A., but only 1 per cent. to France.

The value of exports to all destinations in 1915 was 6,121,599\$ equivalent to £290,000, or £34 1s. 2d. per ton of 2,240 lbs.

For the first quarter of the current year exports amounted to 4,277 tons, of which 56.8 per cent. to France, 22.2 per cent. to the United Kingdom, 7 per cent. to Italy and 14 per cent. to the United States. The value of exports to all destinations for the three months, January-March, 1916, was Rs. 3,278,920\$, equivalent to £160,000 or £37 8s. per ton, as against the aggregate of only £4,000 or about £30 per ton for same period last year.

Promising as it is, this trade is yet but in its infancy and a great deal has yet to be done in the sense of improvement of breed and pasture before it can assume really great proportions.

Something, however, has been effected in this sense already, as the fact that local prices have fallen in face of large exports shows. At first the phenomenon was attributed to the effect of the defeat of the local "beef trust," but to all appearances is the effect of real improvement in the cattle themselves, consequent on the gradual extirpation of the disease known as "carbuncle" is the State of Minas. Formerly as many as 30 per cent. of the herds in certain districts were attacked and succumbed to this disease, whereas last year only spasmodic cases were reported. A serum is supplied by the State of Minas at a nominal price to breeders on application.

PERNAMBUCO MARKET REPORT.

26th May, 1916.

Sugar. Entries continue to diminish and during the week only about 8,000 bags have come to market, making the entry to 20th 30,081 bags compared with 53,101 bags same date last year. Prices to planter are unaltered, but although firm there is no life in the market, as demand from the southern markets is still poor as shown by the small shipments during present week. Orders in the market are most limited, but dealers are not worrying much about it as stocks are so small. Montevideo is still a buyer of white crystals at equivalent of 8\$800 to 9\$, but there is no stock held and only dribblets come in from the refineries, which have all finished work for the present crop. It is a pity that this quality should be so scarce, as large business could be done in them for Montevideo and the Plate, besides which Italy is wanting this quality and firm offers c.i.f. to Halland are asked, but of course nothing can be done now. Possibly the Plate market may eventually take usinas when they find they can get no more crystals, as cost is not very much more and can go into direct consumption in the same way as white crystals do. Dealers' prices for the bagged article are unchanged as under:—

Usinas	9\$200 to 9\$800	per 15 kilos on shore
Crystal (white) ...	8\$400 to 9\$000	" " "
Ditto (yellow) ...	6\$600 to 6\$800	" " "
Whites 3a boa	8\$200 to 8\$600	" " "
Somenos	6\$700 to 7\$000	" " "
Bruto secco	5\$800 to 5\$600	" " "

Shipments during the week have been: Rio 1,300 bags, Santos 800 bags, Victoria 575 bags, Rio Grande ports 7,352 bags.

Cotton. Entry to 22nd only 3,371 bags compared with 17,966 bags to same date last year. Market has been irregular and on 20th small lots were sold at 30\$, closing weak, with buyers withdrawn; on 22nd the market opened weak, with only one buyer at 28\$, at which sellers decided to deliver, but could only dispose of 250 bags. Later a factory paid 30\$ for 100 bags ready cotton. On 23rd market was steadier and after 100 bags had been sold at 29\$, further buyers appeared and next day some 1,000 bags were sold at 30\$ to several shippers and yesterday same price offered, but only about 200 bags sold and market looked weaker once more except for prompt stuff, for which a demand set in for shipment to Penedo and Estancia. To-day opened weakish with only one buyer at 30\$, but later on several buyers appeared at this price and sellers became firmer in their views and so far no sales are reported to-day. Shipments during the week were small and comprise 208 pressed bales to Bahia and Santos 160 bales.

Weather continues showery and is doing much good to the growing crops.

Cereals. Markets are all lower, but fair demand prevails at lower prices. Milho is quoted 7\$500 to 8\$ per bag of 60 kilos; beans 11\$ to 12\$ per bag of 60 kilos for imported lots, of which arrivals have been rather plentiful during past few days; of home grown there is none yet on offer. Farinha 12\$ to 12\$500 per bag of 50 kilos Porto Alegre, with home grown down to 22\$ to 30\$ per bag of 100 kilos.

Coffee offers 9\$500 to 10\$ for consumption and shipments up north, there being no export demand at present, as no steamers are available just now.

Freights. Rates are unchanged, but there is no boat yet berthed, though in any case little cargo would offer, as both sugar and cotton seed are held here far above selling value in Europe, but with more moderate freights both articles would no doubt find a market.

Exchange on 20th opened at 12 1-8d. with 1-16d. better for business; 22nd, after opening 12 1-8d. for collections, the rate advanced rapidly to 12 5-16d., with firm tendency; 23rd, collections at 12 3-8d., but later foreign banks retired to 12 5-16d., Banco do Recife maintained 12 3-8d. up to close of day; 24th, collections at 12 5-16d. and rate then gradually fell away to 12 1-8d., but at close recovered again to 12½d.; yesterday opened with 12 5-16d. for collections, giving 1-16d. better for business, but at close was weaker at 12 5-16d.; this morning opened at 12½d., but 1-16d. better could be got for business, but there is nothing whatever doing. Next steamer is so far off that takers generally prefer to wait developments.

Railway News

THE LEOPOLDINA RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended.	Receipts for Week			Total from 1st Jan.
		Currency.	Exch.	Sterling.	
1916	27th. May	349:000\$	12 5/16	£ 17,904	£ 438,085
1915	29th. May	419:000\$	12 3/32	£ 22,625	£ 698,946
Increase..	—	—	7/32	£ —	—
Decrease..	—	100:000\$	—	4,721	£ 209,841

—A cable from London announces the distribution of a dividend of 1 per cent. by the Leopoldina Railway Co.

—A cable from London states that, on appeal, the request of the North Eastern of Brazil Railway Co., Ltd. to be allowed to collect the indemnity due to the South American Railway from the Brazilian Government has been disallowed by the court.

RUBBER

Weekly Cable. Hard Fine closed at London on Saturday, 3rd May, at 2s. 8d. per lb., or 1d. down compared with previous Saturday and Sertão Fina to \$4600 per kilo or 300 reis down.

—"The Financier" of 25th April says that in view of the extensive planting during 1910-11, this period was always looked on as a critical one for the rubber industry, but fears that may have been entertained of over-supply seem now to have vanished and to have given place in some quarters to anticipations of shortage. Since '11 comparatively little additional planting has been carried out, so that when all '11 rubber in bearing there will be no substantial advance in supply for some years. It is noteworthy that most annual reports recently issued announce additions to planted areas. Time is approaching when rate of increase in plantation output will be much reduced and necessity for augmenting supplies will be obvious. "Truth" (26 April) says that as the price of rubber largely depends on U.S.A. consumption, it is worth noting that official statistics show imports of raw rubber into U.S.A.: 51,792 tons 1913, 63,868 1914, and 98,876 1915. Thus U.S.A. now takes 50 per cent. of the world's rubber supply. Its consumption in 1915 was helped to some extent by supply of tyres and other rubber goods to Allies, but for every motor car exported to Europe in 1915 American supplied 18 for home use. U.S.A. moves at a quicker rate than Europe, and, having proved mechanical traction more economical than horse traction, she wastes no time in making the change. There are indications that the U.S.A. rubber consumption will record a larger increase in 1916 than that shown for 1915.

SHIPPING

Engagements.—The Royal Mail reports 18,500 bags engaged for the Danube for London, sailing 15 June from Santos. For the Carmarthenshire, fixed for 15th June, from Santos, 12,000 bags engaged for London, not stated yet for Havre. Expect market to be very dull until next crop comes down in quantity. No engagements for West Coast.

The Cie Transportes Maritimes reports no further engagements besides those already mentioned by s.s. Pampa and Provence leaving in June, 12,000 and 25,000 bags respectively, and by Parana and Mont Rose, Santos and Rio, 70,000 each in July. No alteration in freight rates for Marseilles.

The s.s. Black Prince is expected on 28th June and the s.s. Belgian Prince on 27th July.

Mr. Luiz Campos reports no further engagements in any direction.

The Lloyd Brasileiro. Por quelque chose malheur est bon! Who can say that the war has brought Brazil no profit when the Lloyd Brasileiro announces that the balance to its credit for 1915 amounts to Rs. 8,742,779\$938, or approximately £437,000!

For years the steamers of this concern were worked at a dead loss, but since the war they cannot find space enough to carry the affluence of tonnage offering in all directions!

The Lloyd Brasileiro s.s. Guajara. The answer of Lloyd Brasileiro, owner of the Brazilian steamer Guajara, in the admiralty proceedings of Joseph Ridgeway, first offer of the steamship Sixaola vs. the Guajara, her cargo and freight money, was filed in the U.S. District Court, May 5. The respondent deny that the master and crew of the Guajara left the vessel voluntarily, but contended that they were persuaded to leave by misrepresentations and bad faith of those navigating the Sixaola. The Guajara was sighted by the Sixaola off the Virginia Capes, May 8, flying signals of distress, and after several unsuccessful attempts to tow the vessel the crew were taken aboard the Sixaola. A salvage crew was put aboard the Guajara, the pumps were put to work and the water pumped on sufficiently to start fire under the boilers. An examination disclosed, according to the allegations of the libellants, that the seacocks were open and a hole had been knocked in an intake pipe. These leaks stopped, the Guajara was brought into port under her own steam three days after she was first sighted by the Sixaola. It is the contention of the respondent that on the morning of the third day after the Guajara hailed the Sixaola, the first officer of the Sixaola came alongside the Guajara and stated that his ship had insufficient coal and no more towing lines, and that the Guajara would be abandoned unless one and all of her crew went aboard the Sixaola. The respondent alleged that on going aboard the Sixaola, it was found that she was not ready to steam off, but on the contrary a large part of her crew had been equipped with flash lights, lines, tools and other salvage apparatus. The respondent allege that those aboard the Sixaola "played upon the fears" of the crew of the Guajara. The respondent deny that the Guajara is worth \$200,000 and place her value at from \$100,000 to \$125,000 and that her cargo will amount to only \$5,000.

Merchant Vessels in Construction in the United Kingdom on 31st March, 1916: 420 steamers and 4 scallers of gross tonnage of 1,423,435.

—"Shipping Illustrated" of May 13th says:—Rates for steam tonnage continue firm, with numerous offers in the most important trades that cannot be taken care of because of the scanty supply of tonnage. A large carrier, the Norwegian s.s. Hendrik Lund, 2,563 tons, has been secured at \$19 a ton for coal from Virginia to Rio de Janeiro.

Coal. The following vessels sailed with cargoes of coal for Brazilian ports:—May 2, s.s. Iowian, 7338, Hampton Roads for Rio de Janeiro; May 4, hque Finland, 2499, ditto; May 5, s.s. Atlantic, Newport News for Rio; schr Zeta, Newport News for Pará.

—A letter published in the "Hamburger Fremdenblatt," dealing with German shipping after the war, says that "only import is to be reckoned upon. Outgoing freights will simply not exist, and the future of the passenger traffic on which an important number of our shipowners depend is entirely uncertain."

VESSELS ARRIVING AT THE PORT OF RIO DE JANEIRO

During the week ending June 1st, 1916.

May	25.	ARAGUAYA, British s.s. 6634 tons, from Liverpool
	26.	DESNA, British s.s. 7288 tons, from Buenos Aires
	26.	PARA, Brazilian s.s. 297 tons, from Manaus
	26.	CALIGANSHIRE, British s.s. 5993 tons, from Santos
	26.	HIGHLAND PRINCE, British s.s. 2197 tons, from Santos
	26.	DRYDEN, British s.s. 3996 tons, from Manchester
	26.	CAZANGOLA, Brazilian s.s. 258 tons, from Itapapoan
	27.	SEQUANA, French s.s. 3497 tons, from Bordeaux
	27.	CAPIVARY, Brazilian s.s. 449 tons, from Macau
	27.	ITAPURA, Brazilian s.s. 819 tons, from Porto Alegre
	28.	SERGIPE, Brazilian s.s. 990 tons, from Santos
	28.	EUCILID, British s.s. 3096 tons, from Glasgow
	28.	T. MATOS, Brazilian tug, 93 tons, from Bahia
	28.	HERCULES, British s.s. 1398 tons, from Rosario
	28.	TOMPENBERG, Dutch s.s. 1038 tons, from Rosario
	29.	P. DE SATRUSTEGUI, Spanish s.s. 2718 tons, from B. Aires
	29.	PAMPA, French s.s. 2812 tons, from Marseilles
	29.	PLANETA, Brazilian s.s. 253 tons, from Cabo Frio
	29.	JUANITA, Argentine s.s. 378 tons, from Paranagua
	30.	REPTON, British s.s. 1852 tons, from Dakar
	30.	SUL AMERICA, Brazilian s.s. 60 tons, from Cabo Frio
	31.	ITAPUHY, Brazilian s.s. 1230 tons, from Porto Alegre
	31.	STEPHEN R. JONES, American s.s. 3112 tons, from Santos
	31.	PIAUHY, Brazilian s.s. 643 tons, from Macau
	31.	ITATIBA, Brazilian s.s. 614 tons, from Cabedel'o
	31.	VACA, Argentine s.s. 368 tons, from B. Aires
June	1.	FIDELENSE, Brazilian s.s. 259 tons, from S. J. da Barra
	1.	P. CHRISTOPHERSEN, Swedish s.s. 2239 tons, from Gothenburg
	1.	ATLANTIC, American s.s. 3395 tons, from Newport
	1.	PLATA, Oriental s.s. 270 tons, from Buenos Aires
	1.	VOLTAIRE, British s.s. 5445 tons, from New York
	1.	SIRIO, Brazilian s.s. 930 tons, from Montevideo
	1.	CEARA, Brazilian s.s. 2078 tons, from Manaus

VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO.

During the week ending June 1st, 1916.

May	26.	ARAGUAYA, British s.s. 6634 tons, for Buenos Aires
	26.	DESNA, British s.s. 7288 tons, for Liverpool
	26.	SATURNO, Brazilian s.s. 933 tons, for Montevideo
	26.	ITAPURA, Brazilian s.s. 1179 tons, for Recife
	26.	EASTERN PRINCE, British s.s. 1789 tons, for Victoria
	26.	CARDIGANSHIRE, British s.s. 5993 tons, for London
	26.	DUPLEIX, French s.s. 4650 tons, for Santos
	26.	VENCEDOR, Brazilian s.s. 27 tons, for Cabo Frio
	26.	PLANETA, Brazilian s.s. 253 tons, for Cabo Frio
	27.	AMAZONAS, Brazilian s.s. 1220 tons, for Ceara
	27.	MAROIM, Brazilian s.s. 825 tons, for Porto Alegre
	27.	TEIXEIRINHA, Brazilian s.s. 257 tons, for S. J. da Barra
	27.	HIGHLAND PRINCE, British s.s. 2187 tons, for B. Aires
	27.	ISTHMIAN, American s.s. 3464 tons, for Trinidad
	28.	MINAS GERAES, Brazilian s.s. 2179 tons, for Santos
	28.	ITASSUCE, Brazilian s.s. 1175 tons, for Porto Alegre
	28.	ROYAL SCEPTRE, British s.s. 2435 tons, for Bahia Blanca
	28.	MANTIQUEIRA, Brazilian s.s. 873 tons, for Amarracao
	28.	MARY F. BARRET, American lugger, 1564 for Amarracao
	29.	P. DI SATRUSTEGUI, Spanish s.s. 2817 tons, for Bilbao
	29.	PAMPA, French s.s. 3497 tons, for Buenos Aires
	29.	SEQUANA, French s.s. 3497 tons, for Buenos Aires
	29.	SERGIPE, Brazilian s.s. 990 tons, for Manaus
	30.	D. N. LUCHENBACH, American s.s. 1851 tons, for Trinidad
	30.	BRASSUARY, Brazilian s.s. 650 tons, for Porto Alegre
	30.	TOMPENBERG, Dutch s.s. 1008 tons, for Las Palmas
	30.	PYRINEUS, Brazilian s.s. 1044 tons, for Buenos Aires
	30.	NENQUEM, Oriental s.s. 1134 tons, for Genoa
	30.	HERCULES, Dutch s.s. 1372 tons, for S. Vicente
	31.	OLINDA, Brazilian s.s. 1240 tons, for Manaus
	31.	EUCILID, British s.s. 3096 tons, for Buenos Aires
	31.	DRYDEN, British s.s. 3699 tons, for Buenos Aires
	31.	CAPIVARY, Brazilian s.s. 449 tons, for Manaus
June	1.	PLANETA, Brazilian s.s. 253 tons, for Laguna
	1.	URANO, Brazilian s.s. 141 tons, for Cabo Frio
	1.	VOLTAIRE, British s.s. 5445 tons, for Buenos Aires
	1.	ITAPAVA, Brazilian s.s. 707 tons, for Aracaju
	1.	ITAUBA, Brazilian s.s. 978 tons, for Porto Alegre

VESSELS ARRIVING AT THE PORT OF SANTOS.

During the week ending June 1st, 1916.

May	25.	ORTEGA, British s.s. 4512 tons, from Liverpool
	25.	ESPADARTE, Brazilian yacht, 29 tons, from Villa Bella
	26.	ITAPERUNA, Brazilian s.s. 615 tons, from Aracaju
	26.	ITAPEMA, Brazilian s.s. 825 tons, from Rio
	26.	EGEO, Brazilian yacht, 47 tons, from Itajahy
	27.	ITAPUCA, Brazilian s.s. 869 tons, from Porto Alegre
	27.	SATURNO, Brazilian s.s. 933 tons, from Rio
	27.	DUPLEIX, French s.s. 4646 tons, from Havre
	27.	ARAGUAYA, British s.s. 6634 tons, from Liverpool
	27.	MOSSORO, Brazilian s.s. 924 tons, from Macau
	28.	LIVETTA, Italian s.s. 1709 tons, from Buenos Aires
	28.	T. DI SAVOIA, Italian s.s. 4895 tons, from Buenos Aires
	28.	P. DI SATRUSTEGUI, Spanish s.s. 2718 tons, from B. Aires
	29.	MINAS GERAES, Brazilian s.s. 1843 tons, from New York
	29.	RABBIONE, Argentine s.s. 763 tons, from B. Aires
	29.	MAROIM, Brazilian s.s. 977 tons, from Rio
	29.	HIGHLAND PRINCE, British s.s. 2197 tons, from New York
	29.	ITASSUCE, Brazilian s.s. 926 tons, from Pernambuco
	29.	VESUVIO, Argentine s.s. 82 tons, from B. Aires
	30.	ITAPUHY, Brazilian s.s. 926 tons, from Porto Alegre
	30.	RINLAND, Dutch s.s. 2538 tons, from Rosario
	30.	INDEPENDENT, Argentine s.s. 618 tons, for Rosario
	30.	SEQUANA, French s.s. 3496 tons, from Bordeaux

VESSELS SAILING FROM THE PORT OF SANTOS.

During the week ending June 1st, 1916.

May	25.	A. R. GENOUILLY, French s.s. 3459 tons, for Buenos Aires
	25.	CARDIGANSHIRE, British s.s. 5992 tons, for London
	25.	LUISIANA, Italian s.s. 3061 tons, for Buenos Aires
	25.	ORTEGA, British s.s. 4510 tons, for Callao
	25.	W. D. NOYES, American s.s. 3114 tons, for Rio Grande do Sul
	25.	RENFEL, British barque, 1034 tons, for Rio
	25.	JACUHY, Brazilian s.s. 654 tons, for Havre
	26.	PHIDIAS, British s.s. 3564 tons, for Buenos Aires
	26.	RID OE JANEIRO, Norwegian s.s. 1489 tons, for B. Aires
	26.	SATELLITE, Brazilian s.s. 887 tons, for Paranagua
	26.	ITAPERUNA, Brazilian s.s. 613 tons, for Itaituba
	26.	ITAPEMA, Brazilian s.s. 825 tons, for Porto Alegre
	27.	SERGIPE, Brazilian s.s. 820 tons, for Rio
	27.	SATURNO, Brazilian s.s. 933 tons, for Montevideo
	27.	ITAPUCA, Brazilian s.s. 869 tons, for Rio
	27.	ESPADARTE, Argentine yacht, 29 tons, for Guantiba
	27.	NEWQUEEN, Oriental s.s. 1134 tons, for Genoa
	27.	S. R. JONES, American s.s. 3112 tons, for New York
	27.	ARAGUAYA, British s.s. 6634 tons, for Buenos Aires
	28.	T. DI SAVOIA, Italian s.s. 3695 tons, for Genoa
	29.	P. DI SATRUSTEGUI, Spanish s.s. 2718 tons, for Bilbao
	29.	ITASSUCE, Brazilian s.s. 926 tons, for Porto Alegre
	30.	HIGHLAND PRINCE, British s.s. 2197 tons, for B. Aires
	30.	SEQUANA, French s.s. 3497 tons, for Buenos Aires
	30.	MAROIM, Brazilian s.s. 977 tons, for Porto Alegre
	30.	ITAPUHY, Brazilian s.s. 926 tons, for Pernambuco

The Week's Official War News

The following communiqués have been received by His Majesty's Consulate General from the Press Bureau:—

London, 1st June, 1916.

The Austrian offensive in the Trentino shows a slight pause, but this is believed to be due to the necessity for the Austrians to bring up their heavy artillery. Curiously enough, the Austrians have been most successful in the most difficult region, namely the mountainous country between the two valleys of the Brenta and the Adige, along which their two wings are attacking. The "Times" military correspondent, Colonel Repington, explains that the probably limited Trentino communications were first reserved for launching a central attack. The central attack proved unexpectedly successful, the wing attack, especially on the left wing, was left considerably behind. The Italians in the centre are now back to their main line defences, namely two groups of fortifications at Alziero and Aziago respectively. During the fortnight which has elapsed since the beginning of the offensive, great numbers of reinforcements have been rushed up. It is believed that it will not be found necessary to weaken for the purpose the strength of the Isonzo army. Colonel Repington still believes that the Austrians can launch a second attack from the Isonzo, where they have 23 divisions, without withdrawing any divisions from their Russian front. So far no Isonzo attack has materialised.

The fifth battle of Verdun continues. When the Germans took Cumieres village, experts predicted that the French would fall back to their main defence on the west bank of the river Meuse. Hitherto, though the Germans have launched three large scale attacks, they have not succeeded in driving the French from their advanced positions on Mort Homme ridge. The losses of the Germans have again been very heavy. The Germans brought up two divisions from the British front besides other troops from their reserves.

In the Asiatic theatre, north of the Armenian Taurus, each side is apparently holding the other. South of the mountains the Turks have been hurrying reinforcements along the Bagdad railway to Bagdad and have pushed out a fairly strong column to Ray-andus, where one Russian force is advancing. Neither side has yet announced any conflict in this direction.

A Bulgarian force with some German engineers occupied the Greek forts commanding the approaches at Cavalla, the port which Bulgaria desired after the Balkan war, but which Greece took. So far there has been no further Bulgarian advance. The Anglo-French force at Salonika is now believed to be very large and well supplied. It has just been reinforced by the reorganised Siberian army from Corfu, all longing to be up and at the Bulgars.

The following communiqué has been received by His Majesty's Consulate General from the Press Bureau:—

London, May 29th, 1916.

The economic and financial situation in Germany is much discussed in business quarters as well as the possible consequences of ministerial changes in the departments of Interior and Finance. Swiss news gives matter for reflection in the confusion resulting from conflicting opinions in the German Empire and the danger of changing horses in mid-stream, because these ministers assume a task new to each of them. A summary of German public opinion shows that there are two opposing currents based on the interests between the food producing and industrial States. Hence the food dictator is approved in Berlin and Hamburg, but vehemently objected to in Munich, Stuttgart and Karlsruhe. Naturally the escape of Doctor Helfferich from the quicksands of the German treasury is at an opportune moment when his last loan has failed and the strong opposition of agrarians and bourgeoisie to the revolutionary scheme of the new taxation, which will surely be shelved in its original form, for the new taxes come into force on October 1st, has become manifest. The sudden end of Helfferich's career as Finance Minister has nowhere in Germany caused any regret and has, on the contrary, led to some remarkably outspoken criticisms of his personality as a statesman and his methods as a financier. The "Berliner Tageblatt" quotes his first speech before the Reichstag, in which the definite prospect of a war indemnity was dangled before the eyes of his audience, and his speech in March, 1916, in which the prospect was turned into nothing more than a hope furtively slipped into an aside. The "Vorwärts" speaks of their "heaven-born financial genius now departed" in harsh terms, denying even his success in loan-raising: "In reality the tall figures of subscription to the loans are only the result of the peculiar situation in which Germany's economic life finds itself through the war. His criticism of British finance and economic measures during the war seems to us worthless in face of the brilliant balance sheet of the British budget. As for the taxation bouquet which Helfferich has recently offered us, it moves in the old ways of financial patchwork, and shows no trace of even the beginning of a long overdue and complete reorganisation of the imperial finances." Decidedly, Helfferich, the luminary of the Deutsche Bank and the Anatolian Railway is regarded by the newspapers as a failure as Minister of Finance.

Herr Dittman, a Socialist in the Reichstag, on May 25th, accused the Government of taking advantage of a state of siege to commit a series of illegalities. He protested strongly against the violation of private mails by the military authorities, denouncing the Government for arresting people in accordance with martial law. He protested also against the Government censoring speeches of peace-loving Socialists to gratify the fanatics who wanted to see the German Empire stretch across the continent.

London, 2nd June, 1916.

The Admiralty announces that on the afternoon of Wednesday, 31st May, a naval engagement occurred off the coast of Jutland. The battle-cruiser fleet bore the brunt of the fighting. The cruisers Defence and Black Prince and the battle-cruisers Queen Mary, Indefatigable and Invincible were sunk; the Warrior was disabled and finally abandoned by the crew; the destroyers Tipperary, Turbulent, Fortune, Sparrowhawk and Ardent were lost and six others are not yet accounted for. No British battleships or light cruisers were sunk. The enemy battle fleet, who sustained serious losses, were aided by low visibility and, avoiding action, returned to port when the British main battlefleet reached the scene. At least one enemy battle-cruiser was destroyed, one was severely damaged; one battleship is reported sunk by our destroyers in a night attack and two light cruisers were disabled and probably

sunk. The exact number of enemy destroyers disposed of in action is not yet definitely ascertained, but is undoubtedly very large.

London, June 3rd, 1916.

A further report has been received from the Command-in-Chief of the Grand Fleet stating that it is now ascertained that our total loss of destroyers amounts to 8 boats in all. The Commander-in-Chief also reports that it is now possible to form a closer estimate of the losses and damage sustained by the enemy fleet. One dreadnought battleship of the "Kaiser" class was blown up in an attack by British destroyers and another dreadnought battleship of the "Kaiser" class is believed to have been sunk by gunfire. Of three German battle-cruisers, two of which it is believed were the Derflinger and the Lutzow, one was blown up and another heavily engaged by our battle fleet and was seen to be disabled and stopping and the third was observed to be seriously damaged. One German light cruiser and 6 German destroyers were sunk and at least two more German light cruisers were seen to be disabled. Further repeated hits were observed on three other German battleships that were engaged. Finally a German submarine was rammed and sunk.

London, 4th June, 1916.

The Admiralty officially announce that, until the Commander-in-Chief has had time to consult the officers engaged, and to write a full despatch, any attempt to give a detailed history of the naval engagement beginning on the afternoon of 31st May and ending in the morning hours of 1st June would be premature, but the results are quite plain.

The Grand Fleet came in touch with the German High Seas Fleet at 3.30 p.m. on 31st May. The leading ships of the two fleets carried on a vigorous fight, the battle cruisers, fast battleships and subsidiary craft all taking an active part. Losses were severe on both sides, but when the main body of the British fleet came into contact with the German High Seas Fleet, a very brief period was sufficient to compel the latter, who had been severely punished, to seek refuge in their protected waters. This manoeuvre was rendered possible by the low visibility and mist, and, although the Grand Fleet were now and then able to get into momentary contact with their opponents, no continuous action was possible. They continued the pursuit until the light had wholly failed, while British destroyers were able to make a successful attack upon the enemy during the night. Meanwhile, Sir John Jellicoe, having driven the enemy into port, returned to the main scene of action and scoured the sea in search of disabled vessels. By noon next day (1st June) it became evident that there was nothing more to be done. He returned, therefore, to his bases, 400 miles away, refuelled his fleet, and, in the evening of June 2nd was again ready to put to sea.

The British losses have already been fully stated and there is nothing to add to or subtract from the latest account published by the Admiralty. The enemy losses are less easy to determine. It is certain that the accounts they have given to the world are false, and we cannot yet be sure of the exact truth, but from such evidence as has come to our knowledge, the Admiralty entertain no doubt that the German losses are heavier than the British, not merely relatively to the strength of the two fleets, but absolutely. There seem to be ground for supposing that included in the German losses are two battleships, two dreadnought battle cruisers of the most powerful type, two of the latest light cruisers (Wiesbaden and Elbing), a light cruiser of Rostock type, the light cruiser Frauenlob, at least nine destroyers and a submarine.