

# Mailman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 3

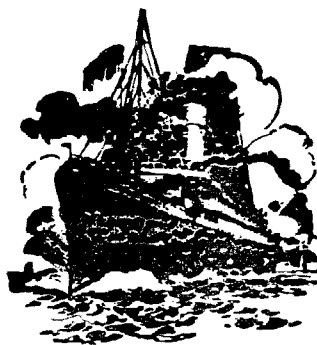
RIO DE JANEIRO, TUESDAY, June 20th, 1916

N. 25

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**P. S. N. C.** THE PACIFIC STEAM NAVIGATION COMPANY

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DRINA.....	30th ..
ORTEGA.....	15th July
AMAZON.....	19th ..

DESEADO.....	21st July
DARRO.....	28th ..
DESSA.....	4th August
ORITA.....	10th ..

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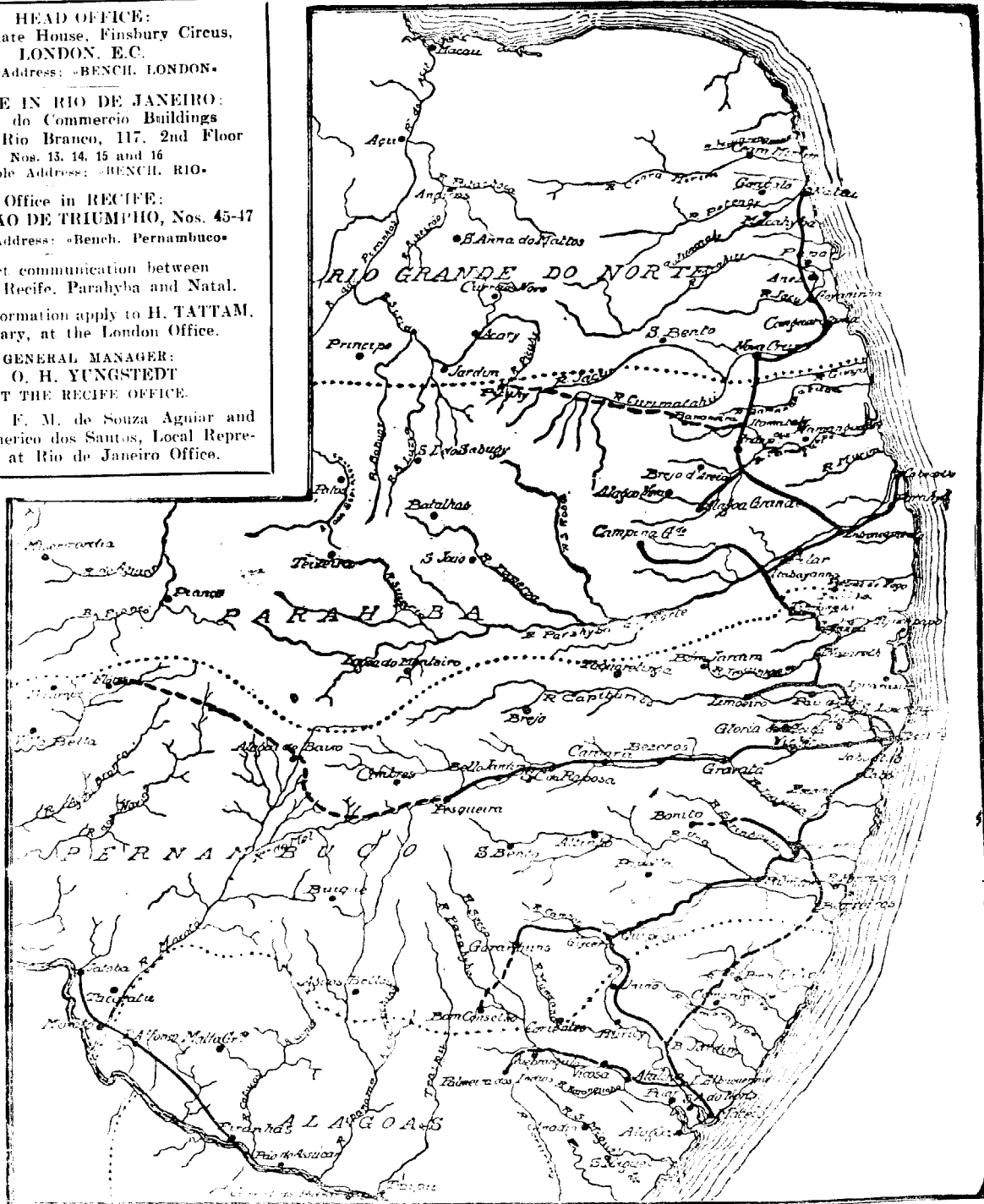
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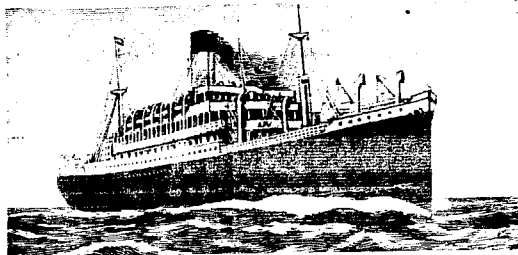
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Byron ..... 18th July



Vasari ..... 1st August

Verci ..... 15th »

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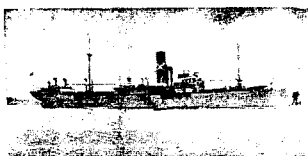
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VOL. 3

RIO DE JANEIRO, TUESDAY, June 20th. 1916

No. 25

## THE RIO DE JANEIRO FLOUR MILLS & GRANARIES LIMITED.

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

DAILY PRODUCTION: 15.000 BAGS.

Cotton Mill - Rua da Gambôa No 2. -

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DAILY PRODUCTION 27.000 METRES.

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"SEMOLINA"

"BRAZILEIRA"

"BUDA-NACIONAL"

"GUARANY"

AND FOR SUPERIORITY  
HAVE BEEN AWARDED

Gold Medal Pariz 1889.

First Prize Brazil St. Louis 1904.

First Prize Turin 1911.

First Prize Brazil 1908

First Prize Brussels 1910

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Authorized Capital.....	£1,000,000
Capital Paid up.....	861,500
Reserve Fund.....	100,000

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## MAIL FIXTURES

## FOR EUROPE.

June 27.—DEMERARA, Royal Mail, for Liverpool.  
 „ 30.—DRINA, Royal Mail, for Liverpool.  
 July 15.—ORTEGA, P.S.N.C., for Liverpool.

## FOR RIVER PLATE AND PACIFIC.

July 5.—AMAZON, Royal Mail, for River Plate.  
 „ 12.—DARRO, Royal Mail, for River Plate.

## FOR THE UNITED STATES.

June 27.—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

Dr. Lauro Muller, Minister of Foreign Affairs, has been invited by the Ambassadors of the United States and Brazil to serve as fifth arbiter in questions between the two countries. Each tribunal consists of five members, of whom two are appointed by each Government and the fifth by mutual consent in case of disagreement. The choice of Dr. Lauro Muller is at this moment, when Portugal is at war with Germany, the best evidence of the broadmindedness with which, in spite of Teutonic origin, Dr. Lauro Muller has known how to hold the balance between conflicting interests.

**The Rise in Brazilian Securities.** Considerable interest has been displayed in Brazilian securities, which have been rising all round. The current rate of exchange indicates that conditions in Brazil are improving, for the present rate of the Rio exchange is 12 7-16d., against 11 27-32 at the end of April. Moreover, the President is said to have expressed himself most optimistically regarding the possibility of resuming cash payments on the external debt in July, 1917, in accordance with the terms of the funding scheme. This optimism is based upon the improved position as regards exports, which are certainly higher, but the general financial situation hardly seems to justify the hopes of resumption of cash interest on the bonds. Brazilian finances have not been in a very satisfactory condition for some time past, the country having had to issue a funding scheme in 1914, which provides for the funding of the interest on the external debt for three years. Sinking funds have been suspended for 13 years until 1927. The authorised amount of the funding loan is £15,000,000 and the present amount is £4,134,872, on which 5 per cent. interest is paid quarterly. In the following table we show the extent of the rise in Brazilian stocks:—

	July, 1914	Sept., 1915	May 1916	Rise since April, 1916
Brazil 4½ % 1883 .....	82	50 1-8	55¼	5 1-8
Do. 4½ % 1888 .....	83	49	55	6
Do. 5 % 1895 .....	86½	59½	61	1½
Do. 4 % 1910 .....	66	45½	52¼	7¼
Do. 5 % 1913.....	80½	57	62	5
Do. 5 % Funding 1914 ...	—	74 1-16	77 1-16	3
Brazil Rwy 4½ % bonds	64	29	34¼	5¼
Do. 5 % Debs. ....	59½	28½	35¼	6¾
Leopoldina Rwy Ord. ...	49	34½	38 7-8	4 3-8
S. Paulo Rwy Ord. ....	229½	178¾	185¼	7
Braz. Traction (\$100)..	66	56 1-16	63 1-8	7 1-16

The record has been a very depressing one, but the present revival indicates that an improvement is taking place in the financial position of the country. London has considerable interests in Brazil, holding large sums invested in Government, municipalities, railways and other concerns.—"The Economist."

**Brazilian Currency Expansion.** With reference to the remarks made in these notes on Monday on the causes of the depreciation of Brazilian Exchange despite the country's favourable trade balance, it has been pointed out to us that the increase in the inconvertible note circulation since the outbreak of war amounts to nearly 70 per cent. The "Diário Oficial" shows that at the beginning of August, 1914, the amount outstanding was 600,340 contos of reis, and the amount is now 997,089 contos, an increase of 396,749 contos. This enormous expansion alone seems almost sufficient to account for the fall in the exchange value of the mil-reis, for much of the increase is due to measures taken to meet the Government's indebtedness. The development of the meat industry is being encouraged by the Government in a practical manner. It has taken powers to make arrangements with shipping companies to reserve space in cold storage steamers in which to export meat and fruit from Brazil. The Government is authorised to remit the payment of one-half of the taxes and dues to which vessels are subject in Brazilian ports, and even to assume responsi-

bility for the space in the event of shippers not requiring all of it.  
—"The Times."

["The Times" has neglected to take into consideration the shrinkage of convertible notes that occurred since 1912 and practically counterbalances the increase since 1913 in inconvertible issues. Even if the quantitative theory were acceptable, the volume of notes in circulation has not increased appreciably, seeing that, inclusive of convertible and inconvertible notes, the circulation has risen from the previous maximum of Rs. 1,020,557,000\$ to 1,130,138,000\$ on 30 April, 1916, or only 10 per cent. The causes of the fall of exchange cannot be dismissed so summarily. No doubt further issues of paper money, just when trade was declining, and a good deal might be dispensed with, did contribute to the weakness of exchanges, but the main cause was not insignificant increase of 10 per cent. of paper in circulation, but the immense demand for bills of exchange on London, arising from the financial crisis of 1913 and the war.]

**After the War.** The manner in which Germans are preparing to meet competition after the war may be judged from the immense combine of aniline dye concerns, with a joint capital of £11,000,000. The different companies will retain their independence, but in future will share their "experience" and all products will be manufactured by two of them at least simultaneously. Meanwhile all the German companies report large increases in their profits and dividends.

Since March, 1915, when Germany placed an embargo on the export of dyes to neutral countries, no dyestuffs from that country have reached the U.S. The British Government issued permits for two shiploads of German dyes to be shipped to the U.S., which Germany refused to allow unless she received a quid pro quo in the shape of two shiploads of nitric acid. The American Government is still in negotiation with Germany, but so far without success.

Meanwhile many new companies have been started in the U.S. and there are now 17 firms in the U.S. engaged in producing coal tar intermediate dyes and 12 firms in finished coal tar dyestuffs.

As a result of investigations by the Department of Commerce, it was found that the number of colours absolutely necessary for the silk industry could be reduced to 25. The manufacture of synthetic indigo has been taken up on a large scale. The Babische Works, on the Rhine, expended £1,000,000 on its indigo plant and experiments before a single pound was put on the market.

At the present moment America produces 50 per cent. of her domestic requirements. What is wanted in America and in England is co-operation of capital, organisation and perfect command of the complicated and intricate field of colour chemistry. Once thoroughly equipped the British and American dye industries will be independent of German supplies.

—Speaking at New York, Mr. J. E. Gardin, the Vice-President of the National City Bank, said: "This country is not going to supplant England as the financial centre of the world. Our opportunities will be enlarged and our responsibilities proportionately increased. Our national horizon will be broadened and our financial activities will become international in their scope: but London has been the money market centre of the world for centuries, and the pound sterling has been the common denominator of values during the period of modern history. We must not deceive ourselves with the idea that the dollar is henceforth to be the medium of international exchange. London, when the war is over, will continue to be the world's market, and in it will be fixed prices of commodities. England has been the carrier nation of the world, and when the war is over she will continue to be so."

—The conclusions come to by the United States is that should Germany win a decisive victory—an unlikely supposition—the commerce and financial leadership would go to her. If the Allies win, England will resume her supremacy, but if the war resulted in a

stalemate before the European nations are entirely exhausted, great efforts will be made to recover their foreign trade. In this struggle Germany will be at a disadvantage, because she will be more exhausted and her resources are less. She will have lost the sympathy of her very best customer—the British Empire—as well as of Russia, France and Italy, even if they do not league against her. She will have trouble in recovering her neutral trade in neutral countries and have to face fiercer competition than ever, because her own methods will be imitated by Europe as well as the United States. On the other hand her poverty and the fall of her exchanges may force her to sell at a lower cost than her rivals.

With regard to the United States, while the profits of domestic industry are so high, there will be little inducement to compete with Europe, except in lines where the U.S. enjoy special advantages. Certainly, says a professor of the University of Nebraska, we are not quite ready to join hands with Germany in what a German professor terms "the great mission of dethroning the sterling bill in South America." We have a chance to profit at present by the troubles of our rivals and should be sadly lacking in enterprise did we not seize it. But our gain will be hard to hold when the war is over and normal conditions restored.

**After the War** enemy countries will require at least 40,000 tons of rubber for the first year after the war, a demand that is frequently lost sight of, but is bound to come as German and Austrian commerce cannot live without raw rubber. There may be a trying time during the peace phase, i.e., between the end of the war and declaration of peace, but as soon as ever they can enemy countries will begin buying.

The part that rubber plays in the maintenance of rates of exchange between London and New York is of great importance. The United States will require 100,000 to 120,000 tons of rubber this year, which at 4s per lb. means that £11,000,000 to £13,000,000 must be remitted by the U.S. to London year by year.

—The city authorities of Budapest recently announced that the city motor 'busses would stop running in the middle of May owing to the wearing out of their rubber tyres and to the impossibility of replacing them. There have been, however, only three running in Budapest for the last few months.

**The Brazilian Warrant Co.** A shining example! Profits may fall and dividends shrink, but are we disheartened? Never! So long as, like our soldiers in the field, there are leaders like Mr. Ed. Greene to stir up shareholders to renewed effort!

In his speech at the general meeting, the Chairman (Mr. Ed. Greene) insisted on utilising the opportunities the war had put into our hands for extending trade and even invading the preserves the enemy so long looked on as their very own.

Out of a total of 1,000,000 tons, the United Kingdom consumes only 15,000, or about 1½ per cent. of the whole coffee crop. But though British enterprise in coffee has practically no home trade behind it and is, as Mr. Greene remarks, a kind of interloper in the industry, it has managed to hold its own pretty well in the Santos market, British firms having managed to ship 3,100,000 bags or nearly 30 per cent. of the total of 10,850,000, of which 4,000,000 bags were carried in British bottoms.

That is not a bad showing for the merchants of a country whose consumption accounts for only 1½ per cent. of coffee shipments and if with all their home trade behind them, English firms at Santos have done so well, it can only be because they have, as Mr. Greene says, given better service or better value.

Apart from the profits of shippers and shipping, the English banks which buy and sell the coffee bills get their share of the profit, as also the London credit houses. Will this continue after the war or will the large percentage (45 per cent.) of Brazil's coffee production taken by the United States and the introduction of dollar credits prejudice this profitable trade? Certainly it will unless we can continue to "give better service and better value" than Americans or any other competitors!

Whether Mr. Greene will be successful in inducing Englishmen to change their tastes and drink more, very much more, coffee than they do may be questioned; but certainly if it can be done at all it will be by the distribution of roasted coffee in packets direct to the grocers, as in the U.S. Mr. Greene has been over there and seen for himself; he has studied the report of the S. Louis convention and now he has put his hand to the plough by buying up the plant of the S. Paulo Pure Coffee Co., is not to be easily discouraged.

But simultaneously with improvement in distribution, might it not be as well to start teaching consumers how coffee should be brewed? As a rule the wishy-washy liquid in even well-to-do English houses is a libel on coffee. The British cook apparently thinking that all that is required to make coffee is to pour tepid water on as little as possible of it, like tea, and let it simmer for a few minutes on the stove!

The first step for inducing Britishers to drink coffee is to teach them how to prepare it. Until coffee drinking can be made much more attractive, there is not likely to be much expansion in consumption.

To return to our muttons: "We are not afraid of competition," said Mr. Greene, "and believe that in Santos English firms are holding their own pretty well, but this is not the case in Rio. Many old-established English firms have there disappeared and in our opinion there is room for an English exporting concern to take up that line of business." To this end a subsidiary company has been formed under the name of the Atlas Coffee Company, Ltd., with a capital of £10,000.

The fall of exchange and the war have, of course, hit this concern like almost every other Anglo-Brazilian undertaking. Currency profits were but slightly less than in 1914, but in sterling profits were down £20,000.

The Cartage Company has had a good year and is expected to soon reach a dividend-paying stage. The two Registradora Companies (Rio and Santos) have, like most produce clearing houses everywhere, done very little business, nor can improvement be looked for while prevailing conditions persist. The Warehouse Companies, in spite of the big crop, seem to have had a dull year likewise, dealers following the policy of selling whenever they were lucky enough to find steamers to carry their coffee, instead of holding out for higher prices, as they were wont to do. The very high prices of sacks was also an adverse factor.

There can be no doubt that the Warrant Company, under Mr. Greene's prudent but enterprising inspiration, is on the right track and if anything will preserve whatever advantages may have accrued to British coffee traders after the war, it is carrying the war into the enemy's camp as he proposes to do. Mr. Greene has had a varied experience as merchant and shipping agent. He knows all the ins and outs of the trade, and if anyone can rehabilitate British coffee trade in this city, it is he. Men must have a lead. By opening under another denomination a British house at Rio, once premier in the trade, he has set an example that we can only hope others will be as ready to follow. If they make up their minds to it, there is nothing Englishmen cannot do as well and indeed better than the German, who look on contracts as "scraps of paper"!

**The Royal Mail.** Sir Owen Philipps's utterances are always interesting, but never more so than now, when daily reports of losses in the mercantile marine make us sometimes wonder if any ships will be left to carry on business with South America. As a matter of fact, as Sir Owen Philipps states, though British mercantile tonnage to the tune of over a million tons has been sacrificed, it only represents 8½% of the total, including all loss due to enemy cruisers and submarines up to close of April last. What, however, is much more significant is the cessation of mercantile shipbuilding and difficulty in renewing it so long as the war lasts. Government, however, is awake to the necessity of replacing lost tonnage and so soon as labour can be spared, will no doubt use every effort to speed up facilities for building. "Our dependance on overseas supplies has," says Sir Owen Philipps, "brought home to our people the fact that the mercantile marine of this country is second only in importance to our naval and military forces." But in reality it is the mercantile marine that should be put in first

place, because without it the very existence of the country and its navy and army would likewise be threatened. Without the mercantile marine England could not be fed for a week, supplies to its cruisers would cease and its armies die of starvation.

Intuitively Englishmen have recognised the fact and never been chary of their money when it comes to keeping the mercantile marine up to the mark.

We have suffered severely whilst, by driving the Germans off the seas into the safety of their own and neutral harbours, German tonnage has suffered little in comparison. It is incredible, however, that when the day of reckoning comes, this will not be taken into account and the Germans be prevented from gaining an unfair advantage by obliging them to replace the tonnage so treacherously destroyed by vessels of their own.

After the war one of the most serious of all problems will be the maintenance of the supremacy of the depleted British mercantile marine in face of the ruinous competition that will have to be faced should the Shipping Bill now before the U.S. Senate materialise.

The Royal Mail has deserved well of the country in every way. Large numbers of the members of its shore staffs have joined H.M. forces and from the London office alone 88 per cent. of the eligible men are now serving. The Roll of Honour counts 44 employees of the company who have fallen in the service of their country. Besides, two of the mail boats—the Alcantara and Andes—took part in the engagement in which the Grief was sunk and another is acting as a hospital ship.

Financially, withal, the company has not done badly and after replacing £200,000 withdrawn from the reserve fund last year, is paying a dividend at the rate of 8 per cent., making a total of 6 per cent. for the year.

In compliance with its policy of maintaining its regular services, freights have been kept at a much lower level than charged by most tramp steamers. The acquisition of the Shire Line proved a first class investment and it is probably to this line that the success of the company is largely due. Only lately one of these vessels took home to Europe no less than 16,500 tons of cargo! Though, owing to the suspension of the subsidy, the regular W. Indian mail service has been discontinued, the cargo service is still maintained with these colonies, as also the mail service between the West Indies and Canada subsidised by the Canadian Government.

From 1st August, 1914, to 10th May, 1916, the Royal Mail and its allied companies carried to England and the Continent no less than 1,500,000 head of cattle and 1,750,000 sheep, in the shape of frozen meat, largely to feed the British, French and Italian forces at the front.

Sir Owen Philipps believes the outlook for the Royal Mail may be regarded with confidence, looking to the revival of prosperity in South America and development of the passenger and import service.

#### THE BLACK LIST.

There is no law in England under which exports to or imports from or the transport of goods in British bottoms on account of even enemy subjects resident in or carrying on business in neutral countries can be prohibited, much less on account of neutrals suspected of connivance therewith.

But, as regards British, or for that matter the subjects of any other country, resident in and carrying on business in the United Kingdom itself, British law, as it stands to-day, confers unlimited powers to deal therewith as may seem advisable and to interdict trading between any parties, firms or companies domiciled in the United Kingdom and the enemy, subject, consequently, to its laws.

Beyond this the authority of the British Government does not go, and though companies or firms domiciled in the United Kingdom, inclusive, of course, of shipowners, may be, in an emergency, prohibited from transacting business with blacklisted parties of enemy origin or association, such prohibition cannot extend to the domestic relations between British and blacklisted parties in neutral countries.

Parties domiciled or no in the United Kingdom may, if they choose, carry on business in this country even with enemy subjects



without let or hindrance; but directly they attempt trading with the United Kingdom their operations come under British jurisdiction and may be prohibited.

A bank domiciled in the United Kingdom, but with agencies, for example, in this country, could not transact any overseas business whatsoever in the United Kingdom for enemy or blacklisted account; but, short of shutting up such agencies altogether, there are no means of obliging British banks operating in this country to refuse to transact purely local business of a certain kind with enemy subjects. A local British bank, for example, that receives an order from a customer to pay monies deposited to another local but enemy bank must necessarily comply under pain of disrespect to the neutrality that the laws of this country have the right to enforce in all public relations.

Just as Brazil is paramount and may dictate conditions to traders within her domain, Great Britain can interdict transactions within her own.

But British commerce and shipping are world-wide and interference therewith of world-wide effect. It was, in fact, to circumscribe as far as possible the disturbance that official interference with trading between British and enemy subjects in neutral countries was bound to bring about, that the Black List—the only alternative to absolute prohibition—was adopted.

Never before, not even in the Napoleonic wars, were subjects of enemy countries, with which Britain happened to be at war, resident or carrying on business in neutral countries classed or treated as "enemies"; and if, out of consideration for her Allies, the British Government has stretched a point and consented to partial sacrifice of that principle involved in the blacklisting of enemy subjects and their associates in certain neutral countries, it is only because, in the words of Sir Edward Grey, "of a sincere desire to bring British trading regulations into greater harmony with those adopted by the French Government from the commencement of the war, by applying the test of nationality in addition to that of domicile." But however anxious the British Government may be to conciliate its own with French procedure, it must be allowed to use its own judgment as to the best manner in which it can be effected.

In the United Kingdom itself British authority is paramount and no one, ally or neutral or enemy, can dispute her domestic policy or question the right, if thought necessary, to discriminate between trading within her borders between dealing of her own subjects and those of enemy origin or association in different countries.

How our French allies succeed, as they apparently do, in conciliating absolute prohibition with the trade they still carry on with the United States, we are at a loss to comprehend, seeing that few, if any, American concerns—even those engaged in the supply of arms and ammunition—but count Germans or persons of German extraction and sympathies, amongst their partners or shareholders.

The Black List was adopted after mature consideration only as a compromise for absolute prohibition of trading of any kind between British and enemy subjects anywhere.

Had British traders a more thorough conception of their responsibilities, not only towards their own country but towards its allies, there would have been no room for coercion or for any Black List at all.

Unfortunately, the war is still regarded in some British quarters as an opportunity for feathering their nests, and there are still merchants on both sides doing business with enemy subjects in this country, simply because they have so far not been penalised, by the Black List.

It is an incongruous system, and if British traders can ever be brought into line with national aspirations, it will only be by the general application of the Black List to all enemy subjects and their associates in the country, excepting, perhaps, those actually engaged in the promotion of public utilities.

British trade in this country is at present represented chiefly by commission houses, importers having almost disappeared. The war affords an opportunity for reversing this state of affairs and of regaining part at least of the British trade still carried on through German intermediaries, if only British importers would rise to the occasion, as exporters are already doing.

The Black List may have "scotched" trading between British subjects and the enemy, but it is yet far from killed nor ever will

be until such trading is absolutely prohibited and every trading German in the country blacklisted. Discrimination is useless—they are all enemies—and as enemies they and their associates should be treated.

The appearance of late of the names of several blacklisted and indisputably enemy firms, like Arp and Co., on the manifests of British steamers, produced a painful impression on our community and has been sharply criticised by a local French and several Brazilian contemporaries.

For our own part, we prefer to suspend criticism until fuller particulars are forthcoming, but are inclined to attribute this apparent inconsistency to the probability of the goods in question having been bought and paid for and the licence for shipment applied for prior to the adoption of the Black List on 28th March last.

For contracts are contracts, even if commercial, and not mere "scraps of paper" and should be respected even to the advantage of our enemies, as our French friends might remember before they indulge in unseemly recriminations amongst Allies.

Did we care to throw oil on the flames, we might point out that, even in this country, it is not so easy, as some people imagine, to distinguish between really enemy and neutral interests, even for France whose attitude towards "enemies" in neutral countries differs so widely from our own.

As regards the criticisms of an unimportant section of the Brazilian Press, we insist that the right of Great Britain to regulate trading within her own domain, whatever the ulterior end in view may be, is indisputable, as also the right to discriminate at will between enemy subjects in one country or another. Nor will spiteful allusions or attempts to stir up bad feeling amongst Allies move the British Government one jot from its deliberate policy.

All the same, British traders at home and in this country cannot escape responsibility, but should do their utmost to make their Government's task easier by refraining from any international dealings whatsoever with the enemy or their associates without further pressure, bearing in mind that absolute prohibition is the only alternative to the Black List and that, in that event, the last state of that man would be far worse than the first.

#### The Black List—Cancelled.

Steiner, Martin, Pará.

Martin, Luiz, Pará, comm. agent.

**Pocket Before Patriotism.** Serious statements reflecting upon the patriotism of certain Manchester merchants were made at a meeting of the Manchester Association of Importers and Exporters. Mr. L. H. Langdon, the president, said some merchants had continued their sales to German firms in neutral countries, who had offices or partners residing in Germany. There were also firms in Manchester who ignored the fact that business was undesirable when it was benefitting the enemy. Not only firms of alien origin, but some purely English firms, apparently did not care what happened. They put their pocket before their patriotism.

**Trading with the Enemy Case in Shanghai.** A judgment was delivered on April 27 in the Appellate Division of the Supreme Court by which the appeal brought against the decision of the magistrate delivered on March 7 in proceedings taken against the Yangtze Insurance Association on a charge of trading with the enemy was allowed. The association was charged on the first of 18 counts, alleging that it had traded with the enemy in that on January 19, 1915, at Hankow, it had insured certain egg-yolk and

albumen, the property of Messrs. Carlowitz and Co. The association was fined £20 by the magistrate. The defence was that German residents in China were not declared alien enemies until the issue of the King's regulations, published in June, 1915. The defence was upheld on appeal.

### FIRST FRUITS OF THE BLACK LIST.

The following is a translation of an article that appeared in the "Jornal do Commercio" of 13th June last:—

But a few days ago a telegram was published in the "Jornal do Commercio" summarising an article of "La Nacion," in which the Black List was blamed for the ruin (sic) of Argentine commerce and creation of rivalries and competition unfavourable to Argentine interests.

Let us see how the Black List has affected Brazilian commerce, particularly as regards coffee and rubber.

Before the war the collection of these two great staples and their sale in consuming markets was almost entirely in German hands, and though London was the ostensible centre, operations were in reality controlled almost entirely by Germans, as events have conclusively proved.

The difficulties encountered in the liquidation of the celebrated coffee stock at Hamburg is notorious, as also the failure of the Brazilian Government so far to secure itself from serious loss.

The collection and sale of rubber in consuming markets was likewise largely controlled in London by the German firm of Heilbut, Symons and Co., now reduced to impotence by the Black List.

By means of their branch houses of Ohliger and Co., at Manaos, and Berringer and Co., at Pará, with head quarters at London, the firm of Heilbut, Symons and Co. practically monopolised the Brazilian trade, whilst the Eastern trade was likewise susceptible to their manipulations.

The war has upset this Colossus that dominated what manufacturers term the "India Rubber World."

Will it resume its position when the war comes to an end? We doubt it!

It cannot, however, be denied that the preponderating influence of Germans in the rubber markets of the Amazon, and particularly of the State of Amazonas, north of Marão Grosso, and the Acre Territory, was on occasion beneficial.

Previous to the establishment of agencies by the Bank of Brazil and of British banks at Manaos, the house of Heilbut Symons, now known as Prusse and Co., took a prominent part in the expansion of the rubber industry of that region.

Later on, more German houses were started, like Witt, Scholz and, ultimately, Pralow and Co., and a soidisant American firm A. Alden and Co., all in reality but reflections of Heilbut's speculations. Another American firm—The General Rubber Co. of Brazil, bought chiefly for American manufacturers.

In "Wileman's Brazilian Review," of 30 May, some interesting figures and calculations are published. The houses of Ohliger and Co. and Berringer and Co., both agencies of Heilbut Symons, has disappeared, as also have Pralow and Co.

Of the 1913-14 crop, these firms shipped 8,000 tons or 39 per cent. of the total. Of the 1914-15 crop they still succeeded in shipping 4,174 tons.

Five weeks after the Black List was decreed, these firms only succeeded in shipping 9 tons ostensibly.

According to Mr. Wileman's calculations, of the 1913-14 crop, the proportion shipped by all Brazilian firms from the Amazon did not exceed 19 per cent. and 15 per cent. from Manaos alone of the 1914-15 crop.

Now Brazilian participation has reached 35 per cent. and 77 per cent. of the trade in the hands of Germans has been transferred to Brazilian and Allied firms.

These figures, adds "Wileman's Review," show how absolutely without foundation was the apprehension that the Brazilian export trade of the Amazon would suffer from British interference with German trade.

With so good a start, the Brazilian and Portuguese, who enjoy absolute control of the commerce of "aviamento"\* ((see Note) a still large proportion of German trade should fall to their share. At Manaos the house of Tancredo Porto have already appropriated the largest share. This house began to export just before the outbreak of war and during the 1914-15 season had already shipped 1,300 tons and in 1915-16 3,000 tons. At this rate it seems not unlikely that within two or three years this firm will occupy the leading position as exporter of rubber from the Amazon. Brazilian and Portuguese firms, like J. Marques, Pires and Teixeira and Ferreira de Oliveira Sobrinho show similar progress; in fact, everything presages a radical transformation of the mechanism of business in that region.

For years the commerce of the Amazon strove in vain to emancipate itself from German domination and the periodical crises in the "aviamento"\* commerce its fictitious and speculative operations gave rise to, that the financial crisis of the last five years favoured. The commerce of aviamento is no longer carried on on the old improvident and imprudent lines and, to all appearances, the war will result in the realisation of other aspirations.

[\*Note.—"Aviamento, aviadores": this term is applied to the commerce, entirely Brazilian and Portuguese, of the supply of commodities of all kinds to the seringueiros or rubber collectors, or farmers, who pay generally in kind or consign their rubber to "aviadores" for sale. The rubber commerce is virtually in their hands. Shippers who like Ohliger previously controlled "aviador" houses, practically controlled the whole rubber trade. By the conversion of hitherto "aviador" houses into exporters, the trade has been freed from the impositions of German and quasi-German houses. Anything that will encourage this development and ensure "aviadores" their independence after the war should be encouraged.]

### EFFECTS OF THE BLACK LIST.

	Enemy	Black-listed	Suspected	Brit., Amer. & French	Brazilian	Total
From Pará—						
14/5 Francis, N. York ...	—	—	42	119	—	161
16/5 Antony, Liverpool .	—	—	64	31	132	227
20/5 Tapajos N. York...	229	63	57	254	50	653
30/5 Dominic Liverpool .	—	—	29	35	76	140
31/5 Justin, N. York ...	—	—	29	343	69	441
From Manaos—						
24/5 Dominic, N York ...	—	—	49	73	55	177
Ditto, Liverpool .....	—	—	25	89	13	127
Total, 14 to 31/5.....	229	63	295	944	395	1,926
Total, 28/3 to 5/5 .....	—	100	846	1,841	1,588	4,375
Total, 28/3 to 31/5 .....	229	163	1,141	2,785	1,983	6,301
Percentage of total.....	3.7	2.6	18.0	44.2	31.5	100

Exclusive of steamer for which no manifest has been received.

Out of the 6,301 tons shipped since the adoption of the Black List on 28th March, 44.2 per cent. were shipped by combined British, French, Italian and American firms, 31.5 per cent. by Brazilian and Portuguese firms, 18 per cent. by firms more or less controlled by Heilbut and Symons, and, therefore, under suspicion, 3.7 per cent. by enemy firms and 2.6 per cent. by black-listed firms. Since 28 March enemy and blacklisted firms have only succeeded in shipping 392 tons entirely to New York or 6.5 per cent. of the whole. Of the total of 6,301 tons shipped since 28 March, 4,073 tons went to the States and 2,228 tons to Liverpool, 3,653 tons being shipped in British bottoms, 2,294 in Brazilian and 354 tons in American.

Freights for New York per Booth Line rule 34c. as against 54c. per Lloyd Brasileiro per cubic foot. For Liverpool Booth's rate is 70s. per ton of 40 cubic feet and for Havre 135s. In comparison with the rates charged in other parts by other lines rates cannot be considered excessive, those from the East being four times those of Booth's. From the East, via Suez, war risks have varied of late between 1 and 4 per cent., as against one-half of 1 and 2 per cent. here.

**Lost Opportunities!** "America," said Mr. Wilson at the National Press Club, "is for peace because she loves peace and believes the present war has carried the nations engaged so far that they cannot be held to ordinary standards of responsibility. If I cannot retain my moral influence over a man except by occasionally knocking him down . . . for the sake of his soul I have got occasionally to knock him down."

For the sake of Germany's "soul" might it not have been simple for the United States to have joined the Allies in a common protest against the invasion of Belgium and so, peradventure, have avoided any necessity of "knocking down" anyone at all!

The President, he says, has been kept awake at nights considering the European situation, because there might come a time when the United States would have to do what it did not desire to do, all of which, not to mention the slaughter and ruin brought on millions of our fellow creatures might have been avoided had the United States have used its fist in time.

**Germany's Trade Suicide.** From figures supplied by the Board of Trade in reply to a question by Sir L. Chiozza-Money, the following tables have been compiled comparing the trade of Germany in 1913, the last complete year before the war (1) with those countries with which she is now at war, and (2) with her Allies. German trade with the countries who are at war against Germany and with Italy was as follows:—

	Imports	Exports
United Kingdom .....	£43,065,000	£70,711,000
British Possessions .....	65,554,000	22,337,000
France .....	28,674,000	38,837,000
French Possessions .....	4,474,000	1,397,000
Russia .....	72,265,000	48,070,000
Belgium .....	16,933,000	27,091,000
Other countries at war with Germany .....	5,595,000	10,419,000
	£236,560,000	£218,862,000
Italy .....	15,615,000	19,342,000
	£252,175,000	£238,204,000

The trade of Germany with her Allies was as follows:—

Austria-Hungary .....	£40,685,000	£54,319,000
Turkey .....	3,638,000	4,838,000
Bulgaria .....	433,000	1,490,000

The total trade of Germany during the year amounted to £529,510,000 in imports and £496,446,000 in exports, and of this imports from the United States accounted for £84,129,000 and exports to the United States to £35,066,000.

Thus, roughly speaking, about half Germany's trade before the war was with countries which are now her enemies and only one-tenth of it was with countries which are now her allies.

#### Patriotic League of Britons Overseas—Manáos Branch.—

Statement of receipts from February, 1915, (branch organisation date) to March, 1916:—

	Donations	Subscriptions
To 31st December, 1915 .....	£722 15 10	£173 11 9
January to March, 1916 .....	—	28 10 0
	£722 15 10	£202 1 9
May, 1916, Empire Day Red Cross Gift .....	200 0 0	—
Grand total .....	£922 15 10	£202 1 9

Membership is only some 40 in number.—R. C. Norris, Hon. Sec.

**Companhai Commercial de S. Paulo.** Under this denomination a company has been constituted to deal in exports and imports. Particular attention will be given to coffee and sale of same on commission. The management is confided to Col. Luiz Alves de Almeida, the president of the company, and Mr. Edward W. Wysad, managing director. It's capital is Rs. 200,000\$.

## MONEY

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

	90 dys	Sight	Sovs	Vales
Monday, 12 June .....	12 1-32	12 11-64	19\$925	2\$230
Tuesday, 13 June .....	12 9-32	12 11-64	19\$925	2\$230
Wednesday, 14 June .	12 19-64	12 3-16	19\$925	2\$230
Thursday, 15 June ...	12 9-32	12 11-64	19\$925	2\$230
Friday, 16 June .....	12 9-32	12 11-64	19\$925	2\$230
Saturday, 17 June ...	12 9-32	12 11-64	19\$800	2\$230
Average for week .....	12 9-32	12 11-64	19\$903	2\$230

**Caixa de Conversão.** Gold in deposit, Rs. 75,230,952\$, equivalent to £5,015,397. Notes in circulation, Rs. 94,559,930\$.

Cable rate, London on New York; June 12th to 16th, \$4.76 7-16; 17th, \$4.76 9-16.

Cable rate Rio on New York: June 12th, 4\$170; 13th, 4\$160; 14th, 4\$155; 15th and 16th, 4\$170; 17th, 4\$160.

Monday, 12th June. The Ultramarino opened at 12 5-16d. and River Plate at 12 7-32d. and others at 12 1-4d., with takers of commercial at 12 5-8d., but no bills offered. Late in the day the Ultramarino retired to 12 9-32d. for the market and the London and River Plate advanced to 12 5-16d. for market, which closed at 12 1-4d. and 12 9-32d., with speculative bills offered at 12 5-16d.

Tuesday, 13th June. All banks opened at 12 9-32d.; shortly after the London and River Plate and Ultramarino offered to draw for the market at 12 5-16d., which closed paralysed at 12 9-32d. and 12 5-16d. and neither money nor bills offering, but takers of commercial at 1 23-8d.

Wednesday, 14th June. Some banks opened at 12 5-16d., others quoting 12 9-32 and all offering to take at 12 5-8d.; the market closed flat at these rates, with no bills offered and very little money.

Thursday, 15th June. The London and River Plate Bank opened at 12 5-16d. and others at 12 9-32d. and 12 1-4d., the last rate soon becoming general and, upon some speculative selling at 12 5-16d., rates rapidly improved to 12 9-32d., at which at close no money was offered or bills obtainable, with takers of commercial at 12 11-32d.

Friday, 16th June. All banks quoted 12 9-32d. all day, with no money offering. At opening there was no money and commercial was quoted at 12 3-8d., but in the course of the day bills for delivery this month could be done at 12 11-32d., but none were offered.

Saturday, 17th June. All banks opened at 12 9-32d., offering to take at 12 3-8d. or 11-32d. ready, but there was no movement whatsoever in exchange.

Rio de Janeiro, Saturday, June 17, 1916.

The exchange market is featureless, no money and less bills being the burden of brokers' complaints. Some people think the position to be liquidated and ready for a new rise, whilst others distrust the Government disposition to take whenever it finds a chance for formation of a nest egg on the other side. *Comp esti-*

mates point to about 10,000,000 for Santos and  $2\frac{3}{4}$  for Rio, or say 13,500,000 in all, inclusive of Bahia and Victoria, that is about 2,000,000 bags less than last year. Whether this will be enough to allow exchange to rise during the force of the crop and maintained it after will depend on the ability to place entries at actual prices and the amount Government may determine to take from the market.

The report of the Bank of Brazil shows that the Bank remitted £5,186,578 to London in 1915, of which £2,494,784 at Rio, £1,646,197 at Santos, £724,007 at Manaus and Pará, £213,590 at Bahia and £108,000 at Pernambuco and Ceará.

Last year some £2,000,000 was said to have been taken in October and November for Government account by outsiders, which would raise the total taken from the market to at least £7,000,000. Should Government pretend to emulate last year's proceedings or go one better and prepare another nest egg against renewal of specie payments in 1917, £8,900,000 might be required. The question is, will the market stand it, and if not what will happen to exchange should sterling prices of coffee fail to rise or exports fall off?

## COFFEE

**Entries** for the week ended 15th June show a small increase of 1,010 bags for the two ports as compared with the previous week and of 11,084 bags compared with same week last year.

As regards the actual crop, estimates are conflicting, some putting them as high as 11,000,000 bags. The estimate of the S. Paulo Railway at the end of December was, we believe, about ten million, but whether it has been raised since, in view of the favourable weather, we do not know.

**Clearances** for the crop to 15th June at the two ports amounted to 14,135,238 bags or 1,605,411 more than to same date last crop, their f.o.b. value being £27,635,489 or £2,512,824 more than for last season to same date. F.O.B. value for the week ended June 15th averaged £2.294 per bag as against £2.406 for previous week.

**Embarques** for the week were 127,987 bags at the two ports, or 18,400 more the previous week and their f.o.b. value £293,602 as against £263,463 for previous week.

**Sales** (declared) were 4,873 bags under previous week's and 945 bags less than for same week last year.

Of the total of 52,575 bags **sailed** during the week from the two ports, 6,300 went to the States, 11,773 to France, 28,867 to rest of Europe and Mediterranean, 3,928 to the River Plate and 1,707 bags coastwise.

**Stocks** at the two ports show decrease for the week of 10,090 bags, accounted for by increase at Rio of 5,621 bags, but shrinkage at Santos of 15,711 bags.

**Average Prices** for the week ended 15th June show further decline all along the line, excepting Santos base, which was unaltered at 5\$700. All markets, except London, closed on Saturday, 17th, slightly up, with Rio No. 7 quoted at 6\$604, New York options July 8.12c., Havre 74f., but London 47s. 6d.

**Crop Estimates.** A leading Santos house has favoured us with the following estimate for the coming 1916-17 crop:—

	Minimum	Maximum
Santos .....	10,000,000	10,500,000
Rio .....	3,000,000	3,000,000
Victoria and Bahia .....	700,000	700,000
Total, 1916-17 ...	13,700,000	14,200,000
Total, 1915-16 ...	—	15,400,000
Difference .....	—	1,200,000

—The very heavy rain that fell at Rio on Saturday and Sunday, 17th and 18th inst., did not extend to S. Paulo, where up to 17th and 18th only light rain was reported in some districts and sunny weather during the first part of the week.

There should, therefore, be no interruption of entries at Santos on this account.

Entries at Santos for current month are estimated at 500,000 bags.

—Current quotations compare with last year as follows:—  
21 June 1916, No. 7 Rio, 7\$100 c. and f. 7.15, without cover.  
21 June 1915, No. 7 Rio, 9\$700. c. and f. 9.25.

—Prices here are far away over parity with consuming markets and there seems little disposition to enter on new business either at New York or Havre. A report was current yesterday that 100,000 bags of valorisation coffees had been disposed of.

**Crop Estimates.** From New York "Journal of Commerce" May 19th:—While some reports regarding the coming Brazil crops predict smaller yields, others are of a more hopeful character. Thus, a letter received from Rio under date of April 21, reads as follows: "My estimates for the 1915-1916 crops are almost correct— $3\frac{3}{4}$  Rio and  $11\frac{1}{2}$  Santos. As regards the 1916-1917 crop, my impression at the start was that the two crops would be about the same size as 1915-1916 crops, and now reports are coming along from various sources, which are reliable, being from very conservative people, that the next crops will be about 20 per cent. larger than the present crops. Owing to the rains that have fallen all along the bean is large and heavy and the two crops should be of good quality."

May 22nd:—Opinions regarding the coming crop in Brazil differ, some looking for smaller yield, others for at least as large as the past season. The following advices from Santos are interesting in this connection: "The crop year 1916-17, the Paraná coffee section, may be depended on to send to Santos close to 500,000 bags of coffee. In connection with the Paraná coffee producing section, it is interesting to learn that 1,000 coffee trees located here will produce on the average more coffee each year than 2,000 coffee trees in any other section of Brazil. The coffee tree in Paraná section begins bearing coffee when three years old and when five years old gives more coffee than the fully developed coffee tree in any other section of Brazil; as a rule, the coffee tree in Brazil does not begin giving coffee until it is five years old. At the moment, it seems safe to take the position that there will be sufficient coffee to go all the way around."

—Circular of Minford, Lueder and Co., of May 12, 1916:—The demand for spot coffee is very poor, interior buyers showing no disposition to buy freely or ahead of actual needs. This is often the case during the last two months of a crop, and this is what causes an advance in the early months of an in-coming crop. There has been a fair amount of spot coffees changing ownership from one importer to another. Buyers who are particular as to quality are finding it very difficult to secure desirable selections and such coffees are firmly held and command good premiums. The stocks of coffee in Brazil are being steadily reduced, Rio being now 191,000 bags and Santos 918,000 bags, with reports that the Santos stock is largely of an undesirable quality, not available for shipment. We advise the buying of desirable coffees as presented during this month and June. We quote the market quiet.

Offers in cost and freight are in scant supply, with only occasional sales of small parcels, mostly of highly described goods. There is a fair amount of Santos offered for future shipment, but

mostly f.o.b. and at the present freight rate, are but little cheaper than offers for regular shipment. Rios are not offered.

Trading coffee futures has been light most of the week, but with a hardening tendency until on Tuesday, prices were about 19 points higher than on Friday last. Since then prices have gradually reacted until to-day, the market closes steady at from 6 to 10 points advance from last Friday's close. The usual dull period of the coffee crop is during May and June and generally the lowest prices are then reached. While it may be a little early to begin purchases, yet we believe that in the long run, they would average low and later on turn out to be profitable. There is a very general feeling that when the European war is over, a very material advance will occur, and while we see no indications of peace at present, this very strong undercurrent of opinion as to what might happen deters sellers and will probably hold the market around present prices. It is well to keep closely posted, leaning towards the buying side.

—Circular of Minford, Lueder and Co., May 19th, 1916:—The demand for spot coffee from the interior has slightly improved during the week, but remains below normal. However, there have been good sales between importers for spot goods. The visible supply of Brazil coffee for the United States has increased and is 253,880 bags larger than last year. The stocks in Brazil continue to be reduced, being now 129,000 bags in Rio and 850,000 bags in Santos, a total of 979,000 bags. So far, new crop coffee has not reached the seaports, which is unusual, and is accounted for by unseasonable wet weather, preventing preparing and shipping. The strength of the Brazil markets is in a measure caused by the covering of short sales and buyers who require coffee to complete freight engagements. Attention is called to the following comparisons of clearances from Brazil for the 10 months ending May 1st:—

	U. States	Europe	Other	Total
1915-16 .....	6,029,000	7,357,500	398,000	13,785,000
1914-15 .....	5,105,000	6,300,000	479,000	11,884,800
1913-14 .....	5,125,000	7,589,000	358,000	13,073,000

The tone of the market is firm and sentiment favours higher prices. Stocks, as a rule, cost below the present basis and owners evince no anxiety in carrying their holdings, being willing to wait until buyers' wants force them to come into the market. Desirable selections continue scarce. We quote the market quiet, but firm.

Very few cost and freight sales have transpired. Offers are in scant supply and too high to interest our buyers. Most of the offerings are for shipment between July and October and are free on board in Santos, and at the present rate of freight, are about 1-4c. cheaper than offers for regular shipments. Yesterday's offers were subject to acceptance by Santos. Future shipment Santos 4s 9½c. f.o.b., London credits. No Rios offering. To-day we learn of no offers.

Deliveries of Brazil coffees in the United States are fairly good. For the 18 days of May they amounted to 296,883 bags, compared with 321,512 bags in April and 235,878 bags last year.

The demand for milds has shown some improvement, but is not active. Spot stocks are about the same. There is very little export inquiry. The market is steady with no pressure by importers to effect sales. The arrivals in the United States between May 1st and 15th were 81,773 bags and the deliveries 89,115 bags. The stock in public warehouses in the United States on May 15th was 688,602 bags, compared with 570,650 bags last year.

Trading in coffee futures has ruled active, with daily advances. Sentiment is in favour of a higher market, and the long predicted 9c. for futures has been reached and passed. The situation is good with Brazil strong and considerably above a parity of future prices. The present advance is largely sentimental, many anticipating purchases believing that any good indications of peace will bring a radical advance. To-day the market closed very steady at about the highest point yet reached which is from 35 to 39 points above last Friday's close.

## Coffee Statistics

### ENTRIES.

#### IN BAGS OF 60 KILOS.

RIO	FOR THE WEEK ENDED			FOR THE CROP TO	
	16 Jun. 1916	Jun 8 1916	Jun. 17 1915	Jun. 15 1916	Jun. 17 1915
Central and Leopoldina Ry.....	20,694	20,094	37,633	2,192,303	2,780,815
Inland.....	—	1,245	—	86,066	88,137
Coastwise, discharged ..	26	5,600	1,306	168,466	77,017
Total.....	20,720	25,664	40,164	2,336,860	2,945,969
Transferido from Rio to Nictheroy .....	1,052	—	202	72,872	46,169
Net Entry at Rio.....	19,668	25,664	39,962	2,263,988	2,899,800
Nictheroy from Rio & Leopoldina.....	3,336	—	1,537	325,752	382,670
Total Rio, including Nictheroy & transit.	23,004	25,664	41,519	3,189,740	3,282,370
Total Santos :	66,411	82,724	56,815	11,322,435	9,304,479
Total Rio & Santos.	109,415	108,408	98,334	14,512,175	12,586,849

The coast arrivals for the week ended June 15th, 1916, were from:—

The total entries by the different S. Paulo Railways for the Crop to June 15th 1916 were as follows

	Past Jundiair	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remaining at S. Paulo
1915/1916	9,241,547	1,966,316	11,207,863	11,322,435	—
1914/1915	7,662,717	1,645,605	9,308,322	9,304,479	—

### FOREIGN STOCKS.

#### IN BAGS OF 60 KILOS.

	June 15/1916.	June 8 1916.	June 17/1915.
United States Ports ...	—	—	—
Havre.....	2,033,000	2,042,000	1,941,000
Both.....	2,033,000	2,042,000	1,941,000
Deliveries United States Visible Supply at United States ports.....	—	—	—

### SALES OF COFFEE.

During the week ending June 15th, 1916.

	June 15/1916.	June 8 1916.	June 17/1915
Rio.....	16,522	12,395	24,561
Santos.....	33,000	42,090	25,907
Total.....	49,522	54,395	50,468

### COFFEE LOADED (EMBARQUES).

#### IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP T.	
	1916 June 15	1916 June 8	1915 June 17	1916 June 15	1915 June 17
Rio.....	24,161	14,373	41,599	2,918,906	2,951,509
Nictheroy.....	1,700	—	7,636	334,040	380,186
In transit.....	—	—	—	—	—
Total Rio including Nictheroy & transit.....	25,861	14,373	49,235	3,052,946	3,331,695
Santos.....	102,125	94,714	49,206	11,142,525	49,206
Rio & Santos.....	127,986	109,087	98,441	14,195,471	3,380,901

## COFFEE SAILED.

During the week ending June 15th, 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.....	3,800	11,773	1,571	—	—	—	17,144	3,236,424
Santos.....	2,500	28,867	136	3,928	—	—	35,431	11,205,476
1915/1916..	6,300	43,640	1,707	3,928	—	—	52,575	14,441,900
1914/1915..	89,635	65,267	3,207	5,724	—	—	163,772	12,761,889

## VALUE OF COFFEE CLEARED FOR FOREIGN PORTS.

During the week ending June 15th, 1916.

IN BAGS OF 60 KILOS.

	June 15	June 8	June 15	June 8	Crop to June 15/1916
	Bags	bags	£	£	£
Rio.....	15,573	4,775	33,306	10,483	3,004,721
Santos.....	36,295	158,905	83,406	382,611	11,180,517
Total 1915/1916..	50,868	163,680	116,712	393,094	14,185,238
do 1914/1915..	169,080	20,704	286,236	37,356	12,529,837

## COFFEE PRICE CURRENT.

During the week ending June 15th, 1916.

	June 9	June 10	June 12	June 13	June 14	June 15	Ave rage	Clo- sing Jun 17
<b>RIO—</b>								
Market N. 8 10k..	6.673	6.605	—	6.605	6.605	6.605	—	—
• N. 7	6.741	6.672	—	6.673	6.673	6.673	6.654	6.877
• N. 8	6.469	6.332	—	6.332	6.332	6.332	—	—
• N. 9	6.125	6.060	—	6.060	6.060	6.060	—	—
• N. 10	6.196	6.128	—	6.128	6.128	6.128	6.109	6.332
• N. 11	6.856	5.788	—	5.788	5.788	5.788	5.837	6.160
<b>SANTOS—</b>								
Superior per 10 k..	7.106	7.100	7.100	7.100	7.100	7.100	7.100	—
Good Average .....	5.400	5.400	5.400	5.400	5.400	5.400	5.400	—
Base N. 6 .....	5.700	5.700	5.700	5.700	5.700	5.700	5.700	5.700
<b>N. YORK, per lb.,</b>								
Spot N. 7 .. cent.	—	—	—	—	—	—	—	9 1/16
Options—								9 1/8
• July....	802	804	796	800	799	798	800	818
• Sept....	824	821	815	815	813	812	816	827
• Dec....	838	838	830	830	829	827	831	843
<b>HAVRE per 50 kilos</b>								
Options..... franca								
• July....	—	—	—	—	71.75	72.25	72.00	72.50
• Sept....	70.50	70.50	75.50	—	70.25	71.25	71.60	70.50
• Dec....	69.00	69.00	—	—	68.75	69.50	69.06	69.50
<b>HAMBURG per 1/2 k</b>								
Options..... pfennig								
• July....	—	—	—	—	—	—	—	—
• Sept....	—	—	—	—	—	—	—	—
• Dec....	—	—	—	—	—	—	—	—
<b>LONDON cwt</b>								
Options.... shillings								
• July....	—	47/9	47/6	47/3	47/3	47/3	47/6	47/6
• Sept....	48/-	—	—	—	—	—	—	44/-
• Dec....	49/9	49/9	49/3	49/-	49/-	49/-	49/3	—

## OUR OWN STOCK.

IN BAGS OF 60 KILOS

RIO Stock on June 8th, 1916.....	205,323
Entries during week ended June 15th, 1916.....	19,668
Loaded «Embarques», for the week June 15th, 1916.....	224,991
Stock at Nictheroy and Porto da Macana on • Jun 8th, 1916.....	24,161
• Afloat on June 5th, 1916.....	2 0.830
Entries at Nictheroy plus total embarques inclu- ding transit.....	135,605
Deduct: embarques at Nictheroy, Porto da Ma- jana and Vianna and sailings during the week June 15th, 1915.....	19,083
STOCK IN NICTHEROY AND AFLOAT ON June 5th, 1916.....	116,522
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and AFLOAT ON June 15th, 1916.....	317,352
SANTOS Stock on Jun 8th, 1915.....	516,476
Entries for week ended June 15th, 1915.....	86,414
Loaded (embarques) during same week.....	602,880
STOCK IN SANTOS ON June 15th, 1916.....	102,125
Stock in Rio and Santos on June 15th, 1916.....	500,765
do do on June 8th, 1916.....	818,117
do do on June 8th, 1916.....	828,207
do do on June 17th, 1915.....	10,190

## MANIFESTS OF COFFEE.

RIO DE JANEIRO.

During the week ending June 15th, 1916.

—PAMPA—Marseilles	Louis Boher & Co .....	3,000
Ditto—	Karl Valais .....	2,000
Ditto—	Jessouroun Irmaos .....	1,023
Ditto—	Pinto & Co .....	1,000
Ditto—	McKinley & Co .....	875
Ditto—Algiers	McKinley & Co .....	750
Ditto—	Hard, Rand & Co .....	357
Ditto—	Norton Megaw & Co .....	250
Ditto—	Castro Silva & Co .....	250
Ditto—Oran	Hard, Rand & Co .....	1,125
Ditto—	Norton Megaw & Co .....	250
Ditto—Mostagnem	Castro Silva & Co .....	875
—MINAS GERAES—N. York .....	Ornstein & Co .....	1,500
Ditto—	Leon Israel & Co .....	300
Ditto—	Theodor Wille & Co .....	750
Ditto—	Eugen Urban & Co .....	1,000
Ditto—	Robert Couto .....	250
Total overseas .....		15,573

## COASTWISE.

—CEARA—Manáos .....	Eugen Urban & Co .....	90
Ditto—Maranhão .....	Eugen Urban & Co .....	10
Ditto—	Ornstein & Co .....	75
Ditto—Ceará .....	Ornstein & Co .....	55
Ditto—	Theodor Wille & Co .....	440
—MINAS GERAES—Pará .....	Eugen Urban & Co .....	205
Ditto—	J. Germano Ferreira .....	396
Ditto—	Pinheiro & Ladeira .....	150
—A. JACEQUARY—Aracaju .....	Ornstein & Co .....	120
Ditto—	Eugen Urban & Co .....	30
Total coastwise .....		1,571

## SANTOS

During the week ending June 15th, 1916.

—ARAGUAYA—Liverpool .....	Nauman Gepp & Co .....	1,250
—ENROPA—Genoa .....	Leite Santos & Co .....	10,000
Ditto—	Enea Malagutti .....	4,000
Ditto—	J. de Almeida Cardia .....	3,250
Ditto—	Stolle Emerson & Co .....	3,000
Ditto—	L. R. F. Matarazzo .....	2,000
Ditto—	Joao Osorio .....	1,000
Ditto—	Jessouroun Irmaos .....	1,000
Ditto—	S. A. Martinelli .....	1,000
Ditto—	S. Queiroz Lima & C .....	1,000
Ditto—	A. Boli Sobrinho .....	500
Ditto—	Giordano & Co .....	350
Ditto—	Levy & Co .....	250
Ditto—	Cia. Prado Chaves .....	250
Ditto—	Belli & Co .....	1
Ditto—Consumption .....	S. A. Martinelli .....	5
Ditto—	Braz Barone .....	1
		27,617

P. CHRISTOPHERSEN—B. Aires	Malta & Co.	400	
Ditto—"	Nauman Gepp & Co.	300	
Ditto—"	Cia. Nacional de Café	186	
Ditto—Montevideo	Malta & Co.	100	986
10—RAEBURN—Buenos Aires	Stolle Emerson & Co.	300	
Ditto—"	Milhomens & Co.	100	400
10—BRASIL—B. Aires	Eugen Urban & Co.	750	
Ditto—"	S. Jacobsen & Co.	500	
Ditto—"	R. Alves Toledo & Co.	370	
Ditto—"	G. Trinks & Co.	200	
Ditto—"	Pinno & Bark	12	1,832
13—DEMERARA—B. Aires	Société F. Bresilienne.	395	
Ditto—"	Ed. Johnston & Co.	315	710
14—JAGUARIBE—New Orleans	Levy & Co.	1,000	
Ditto—"	Malta & Co.	1,000	
Ditto—"	Ed. Johnston & Co.	500	2,500
Total overseas			35,295

## COASTWISE.

10—ITAÏTUBA—Iguape	Luiz F. dos Santos	10	
Ditto—"	M. Lourenço de Silva	1	11
12—ITAPURA—Rio Grande	Venancio Francisco	50	
Ditto—Pelotas	Diebold & Co.	50	
Ditto—"	Belli & Co.	25	125
Total coastwise			136

## PER DESTINATIONS

Italy	27,617
France	11,773
United States	6,300
South America	3,928
Great Britain	1,250
Overseas	50,868
Coastwise	1,707
Total	52,575

## PER SHIPPERS.

Brazilian	24,104
Italian	6,367
French	5,399
American	5,105
British	4,490
German and Austrian	4,410
Danish	502
Overseas	50,868
Coastwise	1,707
Total	

## SHIPPING COMPANIES.

Italian	27,617
French	11,773
Brazilian	6,300
British	2,360
Norwegian	1,832
Swedish	956
Overseas	50,868
Coastwise	1,707
Total	52,575

## PERNAMBUCO MARKET REPORT.

8th June, 1916.

**Sugar.** The entry in May was 42,440 bags compared with 73,081 bags same month in previous crop and total for crop to date has been 1,242,890 bags compared with 1,875,412 bags for previous crop, showing a deficiency to end of May of 632,522 bags upon last year's crop. Prices in the market to planters are well maintained, although the home markets are still holding off making any large purchases, the demand for Montevideo and Buenos Aires continues good and over 30,000 bags have been sold for these markets and the s.s. Drechterland will not be forced to take it all and it is now certain that all the remainder of present crop of crystals that may still come to market will find a ready market in the Plate, though when sales already made are completed there will not be much more crystals available, but if they decide to take usinas they could obtain a fair quantity as it is the quality most plentiful in the market although even this is of much smaller stock than in any previous year at this time. Dealers maintain their prices for the bagged article unaltered, but are all expecting to reap their

reward later on when southern markets begin their urgent appeals of shipments, which in view of present stocks in consuming markets, it would seem as if it cannot be much longer delayed and already there seems to be more demand for cheaper sorts such as bruto secco and somenos. Shipments during the week have been small, comprising only 12,650 bags to Santos, 1,534 bags to Rio Grande ports and 1,000 bags crystals to Montevideo.

**Cotton.** The May entry was only 6,371 bags compared with 23,158 bags same month last year and the total for crop to same date has been 177,449 bags compared with 212,128 bags for previous crop and present month has begun with only 2-3,000 bags daily. The market has remained in much the same position, with few buyers and few sellers to the declining prices. Up to 5th shippers continued to offer 31\$, but not a single transaction was reported, as sellers hold for 32\$, but on 6th buyers retired and only 30\$ and at this price about 150 bags were sold yesterday. To-day same price is offered but so far no other seller has appeared. If new cotton should appear on the market this month from the sertão the present price may not be maintained, but should there be any delay in receipts from that quarter it is quite possible that some recovery in prices may be seen for a time, as apparently some people who sold at higher prices are not receiving as much cotton as they expected and they may come into the market as buyers, as they have already done more than once during the past month to secure ready stuff to deliver against contracts made some time ago. Shipments during the week have been: Estancia 242 bags, Rio 145 pressed bales, Santos 537 bags, Itajahy 50 bales and Porto Alegre 50 bales.

**Coffee** market is dull, with buyers only offering 8\$500 to 9\$500 but so far no sellers under 10\$ to 10\$500.

**Cereals.** Market in same dull state, but with fair demand at gradually falling prices. Milho is quoted 7\$ to 7\$500 per bag of 60 kilos for home grown, with a quantity offered from southern markets as low as 6\$, but unless something unforeseen happens the local crop should be an abundant one and far in excess of requirements of local consumers, and with good crops north and south there does not seem much chance of any export demand from the other ports and for Europe the high freights will, of course, prevent its going there as under normal conditions might have been the case. Beans, new crop, home grown nominal at 17\$ to 18\$; this article has also been pressed from south and as low as 8\$ intimated as likely to lead to business. Farinha 10\$ to 11\$ for imports from Porto Alegre, with home grown at 22\$ to 30\$ per bag of 100 kilos, but present prices are not likely to be much lower as, unlike milho and beans, which should be very large, this crop does not promise to be anything more than an average one.

**Freights** unchanged and so far nothing decided about the s.s. Orator loading, as rates are quite prohibitive in view of prices ruling for our produce in Liverpool.

**Exchange** opened on 3rd at 12 1-4d. for collections, advancing 1-16d. for business but at close it was weaker and bank rate down to 12 3-16d.; on 5th collections were made at 12 3-16d., but on Rio news coming to hand the foreign banks retired to 12 1-16d., but Banco do Recife maintained 12 1-8d. up to close, a few private bills were reported as done at 12 5-16d.; 6th opened at 12 1-8d., going quickly to 12 1-4d., at which it closed firm; yesterday the opening was 12 3-16d., with banks later offering 1-32d. better; to-day market has opened with same rate, but there is hardly any business passing.

**Rio Grand do Sul.** Comparative exports through the Rio Grande Bar from 1st January to 31st May (Mr. George Vereker's Circular):—

	Salted Hides		Dry Hides		Total
	Europe	U.S.A.	Europe	U.S.A.	
1916	36,913	83,809	1,779	17,653	140,154
1915	84,751	34,647	19,111	36,324	174,833
1914	164,586	2,000	47,538	25,754	239,878
1913	210,600	—	83,463	15,103	309,166
1912	242,752	—	58,393	8,870	310,015
1911	214,468	—	90,147	—	304,615
1906	241,876	—	136,033	5,000	382,909



## COCOA

### EXPORTS OF COCOA IN TONS OF 1,000 KILOS.

	1914	1915	1916	1914	1915	1916
	April	4 mos.	April	4 mos.	April	4 mos.
Germany	489	1,465	—	—	—	—
Argentina	37	46	102	139	107	181
Austria	12	45	—	—	—	—
Denmark	18	42	—	894	198	465
U.S.A.	376	1,562	320	799	990	3,542
France	789	1,501	295	295	152	1,586
Gt. Britain	770	1,459	478	668	775	1,291
Holland	129	305	—	—	—	—
Italy	30	45	—	1	12	23
Norway	—	—	—	25	300	300
Sweden	6	6	67	1,357	114	174
Uruguay	17	35	—	—	18	24
Total, tons	2,673	6,511	1,262	4,178	2,666	7,586
Value £1,000.	131	—	82	—	150	—
Per ton £	49.0	—	66.7	—	56.3	—

Of the total of 7,586 tons of cocoa shipped during the four months January-April, 46.7 per cent. went to the United States, 20.9 per cent. to France, 17.0 per cent. to the U.K., 12.4 per cent. to Scandinavia and 3 per cent. to Argentina and Uruguay. To Holland nothing was exported.

The f.o.b. value fell from £55.2 per ton of 1,000 kilos in April, 1913, to £49 in 1914, rising to £66.7 in 1915, falling again to £56.3 in April of current year.

Direct trading between this country and Scandinavia has now assumed very moderate proportions. For the first four months of the last three years it was as follows, in tons:—

	1914	1915	1916
Denmark	—	—	—
Norway	—	25	300
Sweden	6	1,357	174
	6	1,382	474
Holland	305	—	—
Scandinavia & Holland.	311	1,382	474

## RUBBER

**Weekly Cable.** Hard Fine closed at London on Saturday, 17th June, at 2s. 8d. per lb. or ¼d. down compared with previous Saturday and Sertão Fino at Pará at 4\$500 per kilo or 200 reis lower.

Mail quotations, May 27: Hard fine, 2s. 9½d.; crepe 2s. 8½d.

**The Amazon Rubber Season** commences on 1st July and closes on 30th June each year. The crop now nearing its close shows a considerable increase over its predecessor and will probably finish 2,000 tons up. The coming (1916-17) crop is expected to be both early and large—quite possibly the largest on record.

The steady decline in exchange has reacted on currency prices of rubber, so that collectors and seringueiros have prospered, whilst the position of the Pará and Manaus markets has never been so solid as to-day. Provided that exchange does not advance or the higher level be maintained for long, another year of even greater prosperity may be looked for.

A further increase this season of 2,000 tons on Brazilian production would be regarded on the Amazon as a substantial increase, but would be insignificant compared with the enormous upward trend of the output of Eastern plantations.

Since 1911 there has been little addition to the planted area in the East, which from 75,000 acres in 1905 had risen to 1,000,000 acres by 1911. Since then only 377,000 acres have been added up to close of 1915. After the 1,000,000 acres planted up to 1911 come into bearing about 1918 there will be substantial advance in Eastern supply for some years. The time, therefore, seems approaching when the rate of increase in plantation area will be much reduced and the necessity for augmenting supplies will be obvious, in view of the enormous growth of consumption in the United States, which now takes 50 per cent. of the world's supply.

The depreciation of the currency has saved the rubber industry in this country and enabled it not only to support its enormous burden of taxation, but to compete with the production of plantations. It is to be trusted that no reachings after mere financial equilibrium will be permitted to interfere with the economic adjustment of the burden of taxation to the cost of production that lower exchanges are now operating.

**Rubber Requirements of the American Automobile Industry** account for 36.3 per cent. of the whole world's annual production. Allowing 42 lbs. of crude rubber for an automobile's tyre equipment the amount of rubber required will be about 69,000 tons of 2,240 lbs., or 36.3 per cent. of the estimated production for 1915 of 192,000 tons.

In 1906 the number of automobiles in existence was 100,000, five years later it had risen to 673,839 and by 1916 to 3,686,025, new car output being at the rate of 1,200,000 per annum and withdrawals at the rate of 6 per cent. for depreciation or 158,082. At an average of \$750 (£150) each, the value of the 3,386,025 autos of American manufacture now in existence would be \$253,931,875 or about £50,790,370! The increase in the number of cars since 1900 was 2,500 per cent., the annual output 1,900 per cent. and withdrawals 2,500 per cent.

Production of raw rubber, on the other hand, shows increase between 1906 and 1916 of 190 per cent. Owing to little fresh planting having been effected lately, production for the time being seems to have nearly reached its zenith.

Of the total cost of the average automobile tyre, 25 per cent. only is virgin rubber, 25 per cent. reclaimed and 50 per cent. cotton fabrics. The American industry now requires one-third of the world's production to make up the 25 per cent. of crude rubber of its tyre valuation.

Should these figures be correct, as we see no reason to question, a rubber famine and much higher prices for raw rubber within a few years seem quite possible. An effort to replace raw by reclaimed rubber would not be feasible to any great extent as the tyre would lose much of its resiliency, reclaimed rubber being "dead."

**Rubber in the United States.** America uses 90,000 to 100,000 tons of rubber a year, which within the next few years may be trebled with the increase of mechanical traction. Towards this consumption London contributed in 1915 no less than 40,000 tons, but could have supplied very much more but for the very large quantities permitted by the Rubber and Tin Commission to be exported direct from Singapore to U.S.A.

At the beginning of the war an arrangement was come to between the British Government and American rubber manufacturers to allow exports of rubber to the U.S. on condition of the distribution of the manufactured articles being concentrated in London. Consequently England has been inundated with American tyres and in view of the foregoing agreement the British Government has been obliged to withdraw its embargo on imports of tyres from America. Wheels within wheels!

**Rubber in Ceylon.** A duty of 1 1-8d. in the lb. has been lately levied on exports from this Crown Colony, equivalent to about 270 reis per rkilo. It is not likely that any British colony will imitate Amazonas and Pará in killing the goose that lays the rubber egg!



In spite of this duty and heavy freights the Ceylon (Puva) Rubber Co., Limited expects this year that all-in cost will not exceed 1s. 4d. per lb., or about 3\$000 paper per kilo at present exchange.

—Freights from Sumatra to New York have been raised to 320s. per ton of 40 cubic feet. This is equivalent to 3½d. per lb. compared with 0.6d. per lb. before the war and 1.10d. per lb. from Singapore at present moment. The effect will be to deflect rubber from the Dutch Colonies to Singapore, though no rubber can be exported thence without permit, now somewhat restricted.

## SHIPPING

**Engagements.** The Royal Mail reports the s.s. Carnarvonshire on berth with 27,000 bags engaged for London and going on to the berth for Havre as soon as the Chargeurs Reunis boat Aml. Villaret de Joyeuse is full. The P.S.N.C. s.s. Orita will take 3,000 bags for West Coast, sailing 21st June.

Mr. Luiz Campos reports nothing at all doing for Scandinavia except 500 bags per s.s. P. Christophersen for Sweden and 2,000 bags per s.s. Campista for Genoa.

The Transportes Maritimes report engagement of 50,000 bags Rio and Santos for the s.s. Provence, sailing in June for Marseilles, 70,000 in 1st half July per s.s. Parana and 60,000 per s.s. Monroe of the same company for same destination, in 2nd half July.

—There are enquiries for space for Indian corn from this port to Bordeaux. The Minas crop will be large and leave a good margin for export. Prices are down to 4\$ per bag delivered at Rio, but with freights up to 250 fcs. per 1,000 kilos, it is doubtful if export would leave any margin of profit. An experiment, however, will be made with 1,000 bags on the s.s. Liger, leaving on 20th June. There is a demand also for alcohol, but no drums to ship it in.

—The Lloyd Brasileiro is still obtaining \$1 per bag for coffee to New York, as against 40c. by tramps.

—The Portuguese schooner Gouvea is loading coffee and cereals for Lisbon and Leixões at 150 fcs. per 1,000 kilos.

—A cable has been received by export firms to stop all Scandinavian shipments until further notice. This is attributed to the Minister of Blockade, who has instructed London bankers to cancel all Scandinavian credits.

This ought to bring matters to a head and result in some agreement between the Swedish and British Governments. There are four Johnson liners in South American waters.

—The stevedoring of the Johnson Line has been transferred from Herm Stoltz and Co. to the British Lighterage Co., Ltd.

—The first of the Royal Holland Lloyd mail boats to enter this port since the sinking of the Tubantia was the Zeelandia on 18th inst. The directors of this company seem to have reconsidered their determination to despatch their boats by the northern route round Scotland, as the Zeelandia took the Channel route, touching as usual at Falmouth, Vigo, Pernambuco and Bahia, but not at Lisbon for fear of mines. She took 25 days on the voyage and brought 19 passengers of different classes.

—Thanks to the energetic action of the Chief of Police, who not only guaranteed protection for free labour, but threatened to disband the "Union", the stevedore trouble has fizzled. At Montevideo, however, the trouble continues and none of the Conference boats now touch at that port.

**War Risks.** The following New York quotations for war risks covering general cargo are on par with a London rates. The heaviest rates are 15 per cent. to Sweden and 10 per cent. to Denmark, Norway and Sweden, not beyond Malmo. Shipments to Holland, Denmark, Norway, Sweden, Portugal and Greece are subject to the special hazard or neutrality of ownership or destination clauses.

	Portugal, Japan, Russia, Italy, Belgian Neutrals	French. British
England and Scotland (west coast).....	2½	2½
London .....	3	3
Havre .....	3	3
Ireland, England and Scotland (east coast) except London .....	3½	3½
Europe, between Brest & Bayonne..	2	2
Greece .....	3	3
Denmark, Norway and Sweden, not beyond Malmo—		
By regular lines .....	8	—
By other steamers .....	10	—
Stockholm .....	15	—
Archangel .....	2	2
Holland .....	5	—
Portugal .....	2	2
Spain (Atlantic) .....	¾	1½
Spain (Mediterranean) .....	1	1½
France (Mediterranean) .....	2	2
Italy (w. coast) not south of Naples	2	2
Sicily .....	2½	2½
South Africa, China, Japan, Australia and east of Good hope generally—		
Via Suez (direct) .....	4	4½
Via U.K. and Suez .....	8	8
Via Cape of Good Hope (direct).....	1	1½
Via C. of G. Hope and U.K. ....	4	5
Via Pacific coast .....	1-10	1-10
Via Panama Canal .....	1-8	¾
South America .....	1-10	½
West Indies .....	1-10	1-10

Shipments to Italy and Portugal subject to neutrality clause with the following words deleted: "Warranted that the bills of lading shall show the name and address of the neutral consignee." Shipments to or from Germany, Austria, Turkey, Bulgaria and Greece will only be insured: "Free of British and Allies capture, seizure, detention, etc."

—Earl Curzon, Lord Privy Seal, announced in the House of Lords on May 3, that a total of 450 enemy ships had been detained, seized or captured by the Allies in all parts of the world since the beginning of the war. He added that it was an encouraging fact and a curious coincidence that the British merchant ships lost through war operations were exactly balanced in number and tonnage by the new ships added to the register during the war.

### VESSELS ARRIVING AT THE PORT OF RIO DE JANEIRO.

During the week ending June 15th, 1916.

June	9.—NORDFARER, Danish s.s., 2987 tons, from Norfolk
	9.—SIEBRE, Norwegian s.s., 2326 tons, from Newport
	9.—EMILIA, Brazilian barque, 227 tons, from Itajahy
	10.—DEMERARA, British s.s., 7292 tons, from Liverpool
	10.—DANUBE, British s.s., 2121 tons, from London
	10.—ITAPEMA, Brazilian s.s., 825 tons, from Porto Alegre
	10.—BOCAINA, Brazilian s.s., 1044 tons, from Ibiuhy
	10.—IRIS, Brazilian s.s., 899 tons, from Ceará
	10.—TEIXEIRINHA, Brazilian s.s., 257 tons, from Rio Doce
	10.—MAISIE, British s.s., 2763 tons, from Cardiff
	11.—LISBOA, Argentine s.s., 1046 tons, from Buenos Aires
	11.—ROSALLA, Italian s.s., 1137 tons, from B. Blanca
	11.—ITACOLOMY, Brazilian s.s., 569 tons, from Porto Alegre
	12.—OBONA, British s.s., 4516 tons, from Callao
	12.—PENNSYLVANIA, American s.s., 4046 tons, from Santos
	12.—PACIFIC, Norwegian s.s., 4381 tons, from Buenos Aires
	12.—GUAJARA, Brazilian s.s., 927 tons, from New York
	12.—O. FREDERICK, Swedish s.s., 3230 tons, from Gothenburg
	13.—CANAVIEIRAS, Brazilian s.s., 482 tons, from Bahia
	13.—ITAPOAN, Brazilian s.s., 512 tons, from Buenos Aires
	13.—RESUREZIONE, Italian s.s., 1896 tons, from Genoa
	13.—STRABO, British s.s., 3071 tons, from Buenos Aires
	13.—PLANETA, Brazilian s.s., 253 tons, from Laguna
	13.—SUL AMERICA, Brazilian s.s., 60 tons, from Cabo Frio

## Railway News

### THE LEOPOLDINA RAILWAY COMPANY

#### ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended.	Receipts for Week			Total from 1st Jan.
		Currency.	Exch.	Sterling	
1916	10th. Jun	418:000\$	12 1/4	£ 21,335	£ 477,889
1915	12th. Jun	420:000\$	12 17/32	£ 21,940	£ 680,377
Increase....	—	—	9/32	£ —	—
Decrease....	—	2:000\$	—	595	£ 202,488

### VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO.

During the week ending June 15th, 1916.

June 9.	RIO PRETO, British s.s. 2612 tons, for Bahia Blanca
9.	MONGOLIAN, British s.s. 3088 tons, for New York
9.	ANNA, Brazilian s.s. 364 tons, for Laguna
9.	SATELLITE, Brazilian s.s. 892 tons, for
10.	ITATIBA, Brazilian s.s. 514 tons, for Porto Alegre
10.	MARY BARRETT, American lugger, 1564 tons, for Haiti
10.	A. DE JACQUAY, Brazilian s.s. 792 tons, for Recife
10.	ITATINGA, Brazilian s.s. 1181 tons, for Recife
10.	MOSSORO, Brazilian s.s. 927 tons, for Buenos Aires
11.	AMERICA, Brazilian s.s. 267 tons, for Santos
11.	DEMERRA, British s.s. 7292 tons, for Buenos Aires
11.	ITAPURA, Brazilian s.s. 1179 tons, for Porto Alegre
12.	ORONSA, British s.s. 4516 tons, for Liverpool
12.	A. JORGEUSE, French s.s. 3688 tons, for Santos
12.	LISBOA, Argentine s.s. 1046 tons, for Bordeaux
12.	ROSALBA, Italian s.s. 1137 tons, for Dakar
13.	W. G. NOYES, American s.s. 3114 tons, for Philadelphia
13.	TORSDAL, Norwegian s.s. 2299 tons, for B. Blanca
13.	MAYRINK, Brazilian s.s. 572 tons, for Laguna
13.	S. PAULO, Brazilian s.s. 2213 tons, for Santos
13.	DRINA, British s.s. 7288 tons, for Buenos Aires
14.	SIRIO, Brazilian s.s. 930 tons, for Manáos
14.	BORBOREMA, Brazilian s.s. 1082 tons, for Rosario
14.	ATLANTA, American s.s. 3395 tons, for Philadelphia
14.	PHILADELPHIA, Brazilian s.s. 359 tons, for Ilheos
15.	RENFIELD, British s.s. 1034 tons, for Baltimore
15.	CAMPEIRO, Brazilian s.s. 1605 tons, for Rio Grande
15.	CHUCHA, American s.s. 4064 tons, for Cabo Frio
15.	PLANETA, Brazilian s.s. 253 tons, for New York
15.	STRABO, British s.s. 3071 tons, for Las Palmas
15.	JAN VAN NASSSEN, Dutch s.s. 2018 tons, for Marseilles
15.	PAMPA, French s.s. 2812 tons, for Aracaju
15.	ITAPACY, Brazilian s.s. 717 tons, for Aracaju
15.	ITAPERUNA, Brazilian s.s. 825 tons, for Porto Alegre

### VESSELS ARRIVING AT THE PORT OF SANTOS.

During the week ending June 15th, 1916.

June 8.	IBAPABA, Brazilian s.s. 882 tons, from Recife
9.	CAMPISTA, Brazilian s.s. 582 tons, from Genoa
9.	GUAJARA, Brazilian s.s. 927 tons, from New York
9.	ITAITUBA, Brazilian s.s. 613 tons, from Aracaju
9.	ITAPEMA, Brazilian s.s. 975 tons, from Porto Alegre
9.	ITAPUCA, Brazilian s.s. 668 tons, from Rio
10.	SATELLITE, Brazilian s.s. 887 tons, from Rio
10.	ANNA, Brazilian s.s. 247 tons, from Rio
10.	AMSTELAND, Dutch s.s. 3514 tons, from Buenos Aires
11.	ITAPURA, Brazilian s.s. 926 tons, from Recife
11.	AMERICA, Brazilian s.s. 941 tons, from Rio
11.	PIERANGY, Brazilian s.s. 750 tons, from Macau
11.	DEMERRA, British s.s. 7292 tons, from Liverpool
12.	BRASIL, Italian s.s. 3047 tons, from Naples
12.	ESPADARTE, Brazilian yacht, 29 tons, from Canquataba
13.	ITASSUCE, Brazilian s.s. 926 tons, from Porto Alegre
13.	DALMATA, Argentine s.s. 1179 tons, from Buenos Aires
13.	A. V. JOYEUSE, French s.s. 3677 tons, from Havre
14.	S. PAULO, Brazilian s.s. 1487 tons, from Pará
14.	VALBANERA, Spanish s.s. 3300 tons, from Barcelona

### VESSELS SAILING FROM THE PORT OF SANTOS.

During the week ending June 15th, 1916.

June 8.	EUROPA, Italian s.s. 4547 tons, for Genoa
8.	P. CHRISTOPHERSEN, Swedish s.s. 2239 tons, for B. Aires
9.	IRIS, Brazilian s.s. 887 tons, for Rio
9.	ITAPEMA, Brazilian s.s. 825 tons, for Rio
9.	ITAPUCA, Brazilian s.s. 869 tons, for Porto Alegre
10.	ITAITUBA, Brazilian s.s. 613 tons, for Imbituba
10.	GUAJARA, Brazilian s.s. 887 tons, for Rio
10.	SATELLITE, Brazilian s.s. 887 tons, for Montevideo
10.	ANNA, Brazilian s.s. 247 tons, for Iguape
11.	RAEBURN, British s.s. 3231 tons, for Buenos Aires
11.	BRASIL, Brazilian s.s. 2104 tons, from Buenos Aires
11.	PENSYLVANNIAN, American s.s. 4139 tons, for New York
12.	CAIRNMOSS, British s.s. 2513 tons, for B. Blanca
12.	ITAPURA, Brazilian s.s. 926 tons, for Porto Alegre
12.	DEMERRA, British s.s. 7292 tons, for Buenos Aires
13.	CAMPISTA, Brazilian s.s. 582 tons, for Genoa
13.	ITASSUCE, Brazilian 926 tons, for Pernambuco
13.	CAMPEIRO, Brazilian s.s. 1374 tons, for Genoa
13.	JABUARIBE, Brazilian s.s. 1002 tons, for New Orleans
13.	BRASIL, Italian s.s. 3047 tons, for Buenos Aires
13.	AMSTELAND, Dutch s.s. 3514 tons, for Amsterdam
14.	IBIAPABA, Brazilian s.s. 882 tons, for Rio
14.	VALBANERA, Spanish s.s. 3300 tons, for Buenos Aires

### THE S. PAULO RAILWAY COMPANY.

#### ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended	Receipts for Week			TOTAL from 1st January
		Currency.	Exchange	Sterling	
1916	11th Jun	474:388\$300	12 1/4	24,213-11-5	507,438-6-4
1915	13th Jun	362:549\$900	12 3/4	19,260-9-3	591,642-5-3
Increase....	—	—	—	—	—
Decrease....	—	111:838\$400	1/2	4,953-2-2	84,208-18-11

## The Week's Official War News

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

London, 8th June, 1916.

The German Admiralty, after prolonged prevarication, admitted officially on June 7th that their total losses in the naval battle include the Lutzow and the Rostock, which two vessels the British Admiralty had previously asserted were lost, but which the Germans officially denied. The unreliability of German official communiqués is thus exposed to the world out of the Germans' own mouths. The First Lord of the British Admiralty, Mr. Balfour, thus sums up the results of the British naval victory: "The German fleet is now, relatively to ours, far inferior to what it was before the battle. Neither in the North Sea nor the Baltic for many months to come can the Germans organise such a naval effort as might have been possible before this battle. They cannot break the blockade. They must abandon the idle dream of invading Britain. They must endure the bitterness of not being able to send their merchant ships to sea, so long as the war lasts. The British Navy not only carried off the honours of victory, but its substantial fruits."

On the Italian front the Austrians, having pushed their centre forward into the Italian main line defences from Arsiero to Asiago, have been brought to a stop by the masses of Italian reinforcements of men and guns. The two wings of the Austrian attack are still behind hand and the two main gateways by which their armies hope to debouch from the Alps in the valleys of the Brenna and the Adige are still held by the Italians. On the Isonzo front the Austrians have not launched any attack, fortunately for themselves, since in the meanwhile, there has developed on their northern front an offensive on the largest scale by the Russians. The new offensive stretches from the river Pruth at the Roumanian frontier to the district round the fort of Luck, in the Russian province of Volhynia, which was captured by Austro-German troops a year ago. The success of the Russians at the very outset has been astonishing. The Austrians, whose line was depleted by drafts for the Trentino, gave way at two points. At Okna they sustained a minor reverse comparable to those reverses which are recorded from week to week, now on one side now on the other, in France and Belgium. But in the region of Luck their defeat was far more serious. The Austrians abandoned their positions over a front of

some ten miles, retreating across the plain wherein the fortress stands. The latest unofficial report states that the fortress itself has been evacuated, all heavy artillery being abandoned. The Russians captured in four days prisoners equivalent to the number of two army corps. The number of Austrian officers captured is considerably more than the number of captured Italian officers, though the Italians lost rather more in guns. The Russian offensive was clearly not expected by the Austrians until a few days before it began. It is greeted in Italy and all neutral countries of Europe as a striking demonstration of the solidarity of the Entente Powers.

At Verdun the Germans have had no further success on the west bank of the Meuse. On the east bank they gained some ground near Vaux and captured the fort of Vaux, long since battered to pieces and disused as a fort.

The Germans also gained some ground against the Canadians in local fighting, which still continues in the Ypres salient.

In the Asiatic theatre of war the Turks massed a very considerable number of divisions dangerously depleting their force in Europe. With these new troops they succeeded in pushing back the Russian centre a short distance towards Azhkala. South of the Armenian mountains the Russians have repelled the Turkish attacking column near Kanikin. No decision has yet been reached in this theatre.

London, 12th June, 1916.

Letters taken from German soldiers, written by their parents in Germany, give a realistic view of the privations experienced by the population. Taking, for example, letters written from a German mother, living in Leipzig, to her son, who was made prisoner by the French on June 1st, the outstanding facts are that not only has the bulk of the stock of food-stuffs in the empire been requisitioned for feeding the army, but that the supplies left available for the civil population are so meagre that the families at home are compelled to depend for at least part of the necessities of life on such food as they can induce their soldier relatives to send them from the front. Once more it is evident that the much advertised "German genius for organisation" has been greatly over-estimated and that the often repeated statements that there is no real shortage but merely a prudent husbanding of the existing resources, are bluff designed to hide the truth. Letters also contain information concerning the riots which took place in the neighbourhood of Leipzig on May 13th.

Gradually the monetary systems of the enemy States are being radically changed, but their specie and paper, which are now coming into circulation, will be valueless except among themselves. There is no gold circulation and silver is beginning to disappear completely in some countries, notably in Austria, Bulgaria and Turkey. Thus to replace specie, iron, steel and lead are being introduced instead of copper and silver. The Bulgarian Government has ordered £400,000 worth of pen and halfpenny coins in steel and lead; also about £600,000 are shortly to be issued in small bank notes, printed in Germany, of the respective value of tenpence to twenty pence.

The German casualties, exclusive of corrections, reported in the German official casualty lists during the month of May, 1916, are:—Killed and died of wounds, 19,720; died from sickness, 2,751;

prisoners, 1,190; missing, 6,771; severely wounded, 15,020; wounded, 5,787; slightly wounded, 42,584; wounded remaining with units, 8,684; total, 102,507. These bring total casualties since the beginning of war reported in German official casualty lists up to 2,924,586. These do not include naval casualties or the casualties of colonial troops. The caution must be added that this is not a British calculation, but a German.

(Reprinted from "Wileman's Brazilian Review.")

London, June 15th, 1916

At Verdun, in the Trentino, in Armenia and in Mesopotamia there is a little pause in the fighting, while all eyes turn to the East European front, whither the Russian armies continue their victorious advance. The extent to which the Austrian line has been pierced surprises all experts, but still more surprising is the rapidity wherewith the piercing has been effected. The fortress of Luck and all the basin of the middle Styr has fallen into the hands of the Cossacks. The fortress of Kovel with the whole railway system supplying the Austro-German troops in the Pripet marshes is threatened. Simultaneously at the extreme southern sector of the Russian front, from Tarnopol to the Roumanian frontier, a second piercing has been effected and Czernowitz cut off on three sides out of four. To the northeast of Tarnopol the Austrians maintain their line unaltered and if the two advancing Russian armies to the north and south go much further, there is a considerable chance that the Austrian troops here will be cut off, since they have only one railway whereby to retreat. So far the Russian offensive closely resembles the Austro-German offensive in west Galicia last year, but the Russians have advanced much quicker up till now (thereby saving much expenditure of munitions) and have captured up till now more prisoners. The proportion of captured officers is unusually high. On the other hand the Austrians have brought away their guns fairly successfully hitherto, though naturally in so precipitate a retreat they lost heavily. But just as the Austro-German offensive last year spread from west Galicia to the whole of the Austro-German line, so it must be remembered that two-thirds of the Russian line has yet to come into play. When it does the situation may become awkward indeed, for the German and Austrian headquarters are at Lemberg and Vilna. Austria has locked up half her armies in the Italian offensive. Hindenburg has doubtless ample drafts to reinforce his units under normal conditions, but his strategic reserves have been sucked dry for Verdun. All the German divisions except one, have been withdrawn from the Balkans to Verdun. If the purely German line on the Eastern front (450 miles long) is broken anywhere, they will need to produce new formations from the interior of Germany to prevent a debacle. Of the existence of such formations there is no sign at present on any front. The incredible folly of the Austrian offensive against Italy now stands revealed. Military pride and considerations of geography make an Austrian withdrawal from the Trentino difficult. Nevertheless they will have to withdraw. Then will come the chance of Italy.

London, June 18th, 1916.

Czernowitz has been captured by the Russians.