Wileman's Brazilian Review

A JOURNAL OF TRADE AND FINANCE

PUBLISHED WEEKLY TO CATCH BRITISH MAILS.

VOL. 3 | RIO DE JANEIRO, TUESDAY, July 25th, 1916 | N. 30

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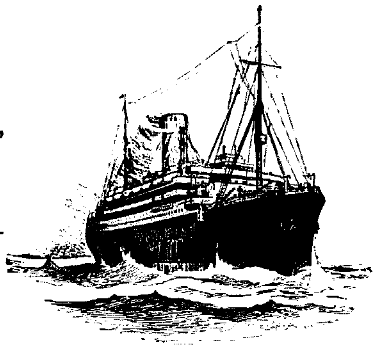

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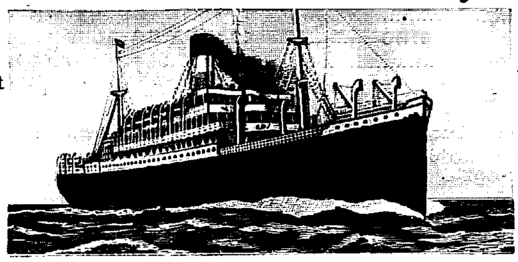

Vestris .... 12th September

Byron .... 3rd October

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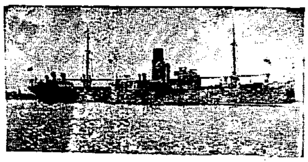

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MAIL FIXTURES

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Aug. 2.—HOLLANDIA, Holland Lloyd, for Amsterdam.
,, 11.—DESNA, Royal Mail, for Liverpool.
,, 16.—ARAGUARA, Royal Mail, for Liverpool.

FOR RIVER PLATE AND PACIFIC.

July 31.—DESNA, Royal Mail, for River Plate.
Aug. 1.—ARAGUAYA, Royal Mail, for River Plate.
,, 7.—ORONSA, P.S.N.C., for River Plate and Pacific.

FOR THE UNITED STATES.

Aug. 1.—VASARI, Lamport and Holt, for New York.

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

RUY BARBOSA'S SPEECH.

We regret not to have time to translate in full the great speech addressed by Dr. Ruy Barbosa to the Faculty of Law at Buenos Aires.

Dr. Ruy Barbosa has raised the discussion of American neutrality to a higher plane, above all petty local interests. The mission of America, he maintains, is not to take part in the armed conflict, but by co-operation with the Allies to re-establish the empore of Law and Liberty on unshakable foundations and cement them with the assent and concurrence of all democratic peoples.

«War, he says, merits no recognition from humanity nor even the heroic actions and virtues it inspires. What raises men to such heights of abnegation and glorious sacrifice is not the sanguinary lust for combat, but the cultivation of peace, its rights and interests and zeal for its inestimable treasures.

Combat at arms awakens these noble sentiments and affections and stimulates resistance. But what really illuminates and sanctifies this struggle is love for country, for family and liberty—love, indeed, for all that military commotion tends to disturb and to enervate. In no part of the world have such sentiments developed in greater intensity than in free and democratic nations like England, the United States, Belgium, Switzerland and France.

France, unprepared for war, opposes to German genius of organisation her genius of improvisation. England, militarily disorganised and forced to face an enemy on seven or eight fronts at once, over-burdened with the task of policing the ocean and distressed within her own boundaries by the Zeppelin campaign, serenely surrenders to death the flower of her aristocracy and culture, who cover themselves with glory in combat, and in eighteen short months raises a volunteer army of five millions!

Belgium, overrun by the most unexpected of all invasions, abandons industry for the rifle, the sword and lance, and on what is left of her native soil, lacerated, burned, pillaged and tormented, but never dispirited or dishonoured, fills the world with the story of the incomparable resistance of its noblest and best.

Switzerland, historic land of liberty, surrounded on all sides by belligerents, imposes respect of her frontiers by its civic militia.

The United States, without army or navy competent to respond to its responsibilities, the problems of its foreign policy and international situation, has no fears for its own situation or doubt that, when wanted, the elements of defence will be found in the virtues and energy of a free people.

Who could compare democratic nations fighting for free institutions like England, the least militarised country of Europe, for example, with Turkey, the most militarised of all, or judging from what they are and the principles they stand for, hesitate as to his choice?

In the eyes of fBenhardi, a neutral state like Belgium is, ipso facto, emasculated. . . . According to this doctrine the neutralisation of free and cultivated States in lieu of insuring independance, subjects them to domination by the strongest. Though independance was guaranteed by treaties, not merely by one specific treaty, but by general conventions at the Hague, that declared neutral territory to be inviolable, what does it avail if treatries themselves are to be regarded as but scraps of paper! All that, in fact, the forty odd States in conference did in 1899 and 1907 was to sign so many scraps of paper! The world at large revolted against the brutal frankness of the new doctrine, but was wrong. The doctrine is sincere enough—no doubt about that—and possesses the advantage of summing up in a single phrase the immense revolution that the morality of humanity has undergone from the war.

If treaties are but scraps of paper, contracts must be so likewise, because it is on paper they are registered, and all laws, constitutions and decrees are promulgated on scraps of paper. In fact, all human commerce, social relations, rights, duties to family, country, civilisation, the State itself, and the whole fabric of the rational world is under this conception but a mass of paper, subservient to the subjection of the weaker by the stronger as suits his convenience.

How can one reconcile Hague Conventions with the violation of neutral territory, with the use of gases and fiery liquids, the employment of certain explosives and poisoning of wells, abuse of the white flag and violation of the insigna of the Red Cross, imposition of exorbitant requisitions on occupied regions, bombardment of undefended towns and villages, destruction of churches, art and historic monuments, the constraint of prisoners of war and hostages to serve against their country, forced exodus and implacable extermination of entire populations, unnecessary destruction of private and public buildings, pillage and exile of innocent inhabitants, execution of prisoners and wounded, attacks on hospital ships, disemination of mines on the high seas, arbitrary creation of war zones, destruction of fishery boats and neutral vessels and sacrifice of crews and passengers by thousands?

It is not now as the Ambassador of Brazil that I address you, but as the jurist you have honoured by election to honorary membership of your community.

What, gentlemen, will the situation be when, after having subscribed to all these conventions, we find them to-day broken and trampled underfoot? Are our rights limited in face of this repudiation to simple protests against the perpetrators, or does not community of contract enforce solidarity?

The Hague Conventions were bilateral. Any infraction of fthe clauses agreed-on interests every contracting unit and thereby everyone of them is individually and simultaneously injured.

America cannot shrug its shoulders in disdain over these matters, however distant the theatre in which they are enacted. The oceans that surround us do not insulate us morally, judicially or politically from the rest of the globe. Indestructible currents, profound and mysterious, connect the intellectual, economic and political relations of one state with another and give rise to community of interests and tendencies. Never has such community between the destinies of the two halves into which humanity is separated been better illustrated than in this war. Every pulsation experienced in Europe is reflected in our own arteries. Should Europe disappear and its people be exterminated, the members of the other half would be reduced for centuries to an unhappy and decadent fraction of the human specie, that, like decipated worms, would multiply only at the cost of cerebral atrophy.

Nacionalism, Chauvinism or Jingoism will resolve and guarantee nothing. In American veins circulate the blood, intelligence and knowledge of ancestors, English or Iberian, Saxon or Latin, not apaches or guaranys. It is these traditions in which we were brought up and educated that make us what we are. Against military jingoism in the United States is opposed by 250 years of puritanism and in the rest of America a century of experience of the curse of militarism in its local forms of candilhismo and of anarchy. Law and liberty made the United States what they are to-day. Let us take this for our model

The vocation of this continent is not to retire altogether from the struggle waged beyond the seas between civilisation and militarism or to arm itself unduly against aggression in the future, but to assume the initiative in the constitution of a new scheme of international life for the association or approximation of nations and substitution of Justice for Force. War is not avoided by simply preparing for it.»

We have quoted enough to show how erroneous is the impression that Dr. Ruy Barbosa advocated abandonment of neutrality by South America in favour of one side or the other.

What he insists on is that America should play its part consienciously in the rehabilitation of Law and Justice when its negation—militarism— has been overcome.

As to which side his sympathies lean he makes no mystery, nor that in every possible way beyond militant participation in a struggle we are not prepared for, he would, if in authority, favour the Allied cause. No one better than he comprehends that any other attitude would be impracticable and in fact counteractive. All either North or South America can do to help is to maintain their actual friendly neutrality towards the Allies and refrain from making their task more difficult by unnecessary protests against measures that, if sometimes apparently arbitrary, are only resorted to as a means to secure the triumph of the very principles that Dr. Ruy Barbosa so admirably maintains. That neutrals could escape the effects of a world-wide war like this is, as Dr. Ruy Barbosa says, impossible.

If, then, they too are called on to make some sacrifices, when their mails are stopped and correspondence interfered with when American citizens are blacklisted or enemy produce sequestrated, let them call to mind the fact that they are but the consequences of defence to the death of the principles dear to Allies and South America alike.

Dr. Ruy Barbosa's speech is the most eloquent condemnation of Germany's method exttant and it is not to be expected that it will be overlooked. But, even if she would, Brazil is not in a position, financially or militarily, to take an active part in the struggle nor can those who seem to be endeavouring to force this country to take sides in the struggle have considered what the results might be. It is easy enough to urge the abandonment of neutrality, but somewhat more difficult to explain by what it could be substituted.

This country is practically bankrupt, without monetary reserves of any kind and reduced even to cover current expenditure to resort to repeated issues of paper money.

There is a large German population in the Southern States that might have to be coerced in case of war.

The navy is disorganised and army we have practically none. True there are a number of German steamers that might be requisitioned, but they have apparently been put out of action already or would be on the slightest sign from Berlin or Hamburg. Useless for transport, they would be only a burden, whilst so long as the war lasts they are quite safe here in Brazilian harbours and may represent a negotiable asset when conditions of peace come to be negotiated.

The action of the Chamber in voting the inclusion of Dr. Ruy Barbosa's speech in its achives, is satisfactory to the Allies because it affords fresh confirmation of the friendliness of the Brazilian people towards the Allies, of which, alias, there was no question. But it should not be interpreted by friends or foes as other than a platonic declaration of sympathy.

The Blacklist. (From the «Gazeta de Noticias», 20 June.) The use that certain elements connected with German propaganda are making of the blacklist is ignominous. The blacklist is a purely administrative measure, applicable only to British subjects by means of which the British Government aims at direct control of the mercantile relations of residents in the United Kingdom and preventing national and colonial commercial and industrial organisation being utilised by enemies.

This right, inherent to every government, is as unquestionable as that of control of customs tariffs themselves by the United iKngdom or any other country, as is the adoption of fiscal and consular precautions to make them respected.

If the right of regulation and restriction of its own production and its distribution and transport in even normal times be admitted, it is difficult to understand how it can be questioned in the case of a country engaged in a life and death struggle with so formidable an enemy.

The restrictions created by the blacklist apply to its own subjects and to merchandise of British production transported in British bottoms and to commerce in British credit.

If, perchance, these restrictions happen to affect other nationalities and to give rise to conflict of interests in neutral countries between enemy subjects and those of the U.K., it does not follow that the intention of Great Britain was to extend its legislation to these neutral citizens but merely to establish the rules under which commerce shall be conducted by British subjects—a right common to all sovereign nations.

But because the British Government orders its subjects to neither buy from nor sell to the enemy, when such commercial relations are liable to result in commercial relations with the enemy or enemy capital or the transport in British bottoms of merchandise produced or acquired by the enemy, the cry is raised of interference by England with Brazilian commerce. The British Government has never forbidden concerns domiciled in Brazil from purchasing Cardiff coal or transporting rubber or coffee in Booth or Royal Mail liners. What it did was to absolutely forbid the transport in British bottoms of the merchandise belonging to certain determined firms who made themselves subservient to the enemy and afforded them aid and comfort.

The difference between one act and the other is fundamental as only systematic bad faith could fail to recognise.

If in neutral countries other parties are penalised by the restrictions of the blacklist, this only serves to show how enormous is the area covered by the countries at war and the degree to which private interests in such countries are affected. But if a calamity like this European conflagration must necessarily give rise to inconvenience to every inhabitant of this globe, the pretension to make only one of the belligerents responsible for such action, so long as it is not directly aimed against ourselves, would be iniquitous, even were it not so flagrantly dishonest.

The sophistry with which the recipients of German bribes endeavour to cause bad blood on the score of the blacklist is absolutely revolting, especially if German and British methods in this country are compared.

Only now, in consequence of the immense difficulties they have had to contend with in this war, have the British at last determined to place restrictions on their own shipping. Such restrictions refer exclusively to the enemies of their country, who actually employ every possible means, even the most repulsive and odious, to kill British subjects and destroy the British Empire. If such measures, perchance, affect neutrals also, it is not because they are directed especially or intentionally against any one of them in particular, but because it is one of the inevitable consequences of war that can never be construed as an act of hostility on the part of Great Britain against this country.

Now for the reverse of the medal. But lately, some time before the war, in the piping times of peace, in obedience to the instinct of the race for monopolisation and absolute domination, Germans organised on a kolossal scale a machine specially designed for the financial and commercial compression of this country, with the express intention of sucking dry the fountains of our prosperity.

No one can have yet forgotten how on the occasion of the first valorisation scheme, the transport of the whole of that season's coffee crop was entrusted to certain German exporting firms at Santos, likewise agents of German lines of steamers. Hence the idea of complete monopoly of the transport industry of this country. To this end engagements were entered into for the years 1907-1912, between German shipowners at Hamburg and exporters at Santos and their agents, not to accept a single bag of coffee carried in any other but German or associated steamers. This agreement was afterwards extended to German retailers and roasters and in consequence the whole of the Brazilian coffee industry destined for European consumption became a monopoly of the German trust inspired and directed by the powerful firm of Theodor Wille and Co. In 1912 this agreement was renewed for 5 years and so efficient had it become that the Co-operative Societies of Minas encountered the gravest embarrassments on refusing to submit to the conditions the trust tried to impose, as was explained yesterday in an article signed «Silo» in this paper.

The spirit of commercial domination that characterises German methods was perfectly illustrated by this combination, that ceased only on the declaration of war in August, 1914, when the flag of the Black Eagle was swept from the sea.

But even now Germans are busy in forging similar organisations in different parts of the world, one of which, directed by Herm Stoltz and Co., against the retail trade of the Portuguese in this country, has raised no protest whatsoever on the part of the ardent denouncers of the Black List.

But why waste time on analysis of such speculations? There are far higher interests at stake, that the disloyal partiality of the defenders of Germanism overlook.

In accordance with international law, the Allies decreed the blockade of Germany and enforced it so effectively that famine is threatening from Berlin to Constantinople, and as German publicists themselves recognise, their country is now but an immense beleagued fortress.

Meanwhile, so far, not a life of a single citizen of neutral countries can be laid to the account of the blockade, nor can the loss of a single vessel bearing neutral flags be blamed on British cruisers.

Compare this magnificent record of loyal respect for international law and of maritime usages, with the ferocity with which the crazy and bestial submarine blockade of the British coast as conducted by Germany! The world at large has been seized with horror at the hectacomb of innocents provoked by the homicidal mania of the German Admiralty. Not a single maritime neutral country but suffered treacherous outrage from the blind destructive fury of German submarines. Whatever the origin or destination of their cargoes, or the flag they bore, nothing gives immunity for ships that have the misfortune to come within the radius of German periscopes. All are sacrificed indifferently. Such was the fate of the Rio Branco!

Economically, too, Germany has, by refusing, for captious motives, payment of property of immense value to the State of S. Paulo, been the aggressor.

But, in spite of all, not a single protest is recorded on the part of the eccentric defenders of the rights of neutrals, who declaim so loudly against the Black List, without finding a single word of condemnation for Germany's monstrous acts of prepotence and ferocity.

Whilst exacting from the British altruist respect for neutrals, they demand that the enemies of Britain shall be permitted to transport anything they can acquire from neutrals, in neutral ships, to counter-balance the blockade. It is as if the owner of a house, attacked and surrounded by bandits, were to invite them to dinner and provide them with ammunition!

The authors of these diatribes know perfectly well that their reasoning has no foundation in law or logic. What they aim at is to confuse the issue and perturb the unanimous sentiment of the Brazilian people of solidarity and admiration for the Allied nations in their magnificent defence of the moral inheritance of humanity. (Signed) X.

—Although the Statutory Black List has so far not been extended to the United States, it does not follow that some such list is not in operation, otherwise whence these protests by the United States Government? As a matter of fact, almost from the beginning of the war a black list was applied to enemy subjects domiciled in the United States and their sympathisers and British banks and commercial houses were warned against doing any kind of business with them. The inclusion of the three local German banks in the Black List has awakened some curiosity, as it seemed so unnecessary seeing that, long before, oversea negotiations with these banks had been prohibited. To all appearances it is directed against some quasi-British firms who still do a good deal of their local business with the German banks and even have credits with them. Now that will be impossible, unless they like to run the risk of being blacklisted themselves!

The Black List in Argentina. (From «The Times of Argentina,» 17 July.) There has been a great outcry that the Black List has interfered with Argentina's export and import trade, and that innocent Argentine firms have been damaged thereby. This lie has been circulated with such vigour and energy that the public rather believes it. «La Union», the German paper written in Spanish, is a special circulator of this falsehood, and pretends to be moved to anger thereby as if it were really Argentine. Now, we challenge «La Union» to prove that one Argentine firm has been placed on the Black List without proper reason. If it has been really Argentine, and not German, it has more than probably lent itself to hide the operations of enemy firms.

We believe that one or two errors have been made by the Foreign Office, but these have immediatly been corrected by the withdrawal of the names from the list. Frenchmen in Argentina are governed by certain laws of France, under penalty of not being able to return to France, and one of these laws is that they must not trade with enemy subjects. Great Britain has never had such a law, but has created the Black List in order to point out the firms which it considers have operated against the Allies, and which therefore it refuses to trade with. If Mr. Avellaneda has his way, foreign residents in Argentina will be faced with the choice of suffering punishment for patriotism's sake in Argentina, or of breaking the law of their own country, being dubbed traitors, and being unable to return to their homes. It is well that all sides of a problem should be carefully studied. The allied nations have resolved to purchase no goods nor sell any goods to enemy firms. If Argentina insists that they cannot pick and choose who they will deal with, then the allied trade with Argentina will automatically cease, and our ports will be even more deserted than they are. Thus, besides cutting at the liberty of the individual, the present bill is likely to hugely damage the commerce of the country. Such ideas as this of Mr. Avellaneda should be kept chained up or only exhibited in museums. By the way, we wonder what would happen to the agents of British liners who are not allowed to take cargo from black listed firms?

Shipping Interests. Up to 1st June, 1,276 vessels, measuring 2,585,362 tons were destroyed, not to mention millions requisitioned for purposes of war and tied up in German and neutral harbours.

In consequence, the value of shipping and freights rose tremendously and but for the able and energetic initiative of the President of the Board of Trade, Mr. Runciman, himself a shipping expert, would be rising still, and the whole world—importing and exporting—be put under further contribution to British and neutral shipping.

By wholesale requisition of British shipping and playing it off against that of neutrals, freight rates have been driven steadily down, the menace of famine in some countries been dissipated, the allies been enabled to buy all they required at not unreasonable prices, whilst producers in neutral countries like this got better terms for their produce.

In freights, London still rules the world, and it is on «The Baltic» that rates are determined, not by producing countries A reaction in the tSates or in Canada, brought about by flooding leading markets with tonnage at opportune moments, was reflected immediately in every other market of the world, and, in consequence, rates for cofffee fell here and for wheat and maize at Buenos Aires, thanks to the preponderance of British tonnage, without which no combination, however able, could have proved effective.

If here in Rio and Santos we are still able to ship coffee at one dollar and under per bag, it is only because the general rise of freights has been checked and rates here are good enough to attract tonnage that would otherwise have gone elsewhere.

Not only have British and Allied consumers gained by this policy, but those of every neutral country who depend on sea carriage for their supplies.

Brazil, probably, stands to gain less than any by the fall in freights, because, imports being so greatly restricted enhancement in the cost of their transport would be comparatively small, whilst that on exports has so far fallen almost entirely on importers in consuming countries, as it will do so long as the demand for Brazilian produce exceeds the supply.

The greatest of all British industries is shipping, and on its continued prosperity the very existence of Britain depends. In reality the Navy in itself is of but secondary importance, because without a mercantile marine there would be no trade to protect and these islands would be liable to starvation.

Conference or no Conference, it is evident that no British Government will again endorse purely doctrinary doctrines of Free Trade.

The reports of the different advisory committees—such as that on the palm kernel trade—point unmistakably to an intention to protect future trade from unfair competition by Germans or anyone else.

«Boat for boat» will be cry when the terms of peace come to be discussed with Germany and Austria and 2,000,000 tons of German shipping have to be handed over, without which our own would be at a disadvantage.

The preponderance of British shipping depends on the restoration and increase of its tonnage. To that end, cost what it may, directly the war ends every possible effort will be made not only to make good the wastage of the war, but to swamp competition by the neutral countries that have benefitted so greatly thereby.

It may be that, after a short interregnum of high prices, shipping will not be a paying business for ourselves or anyone else. But for the Island Kingdom, not only a Navy powerful enough to defend it against all comers, but a mercantile marine strong enough to swamp all competition, is a question of life or death!

For decades after the war is ended, the lesson it has taught that only on its own strong will can the Empire depend for its preservation, will impress on men's minds the necessity of preparing for all eventualities.

Preparedness will be the order of the day and to ensure it no means more certain in either the economic or military field than expansion of the British marine.

At home that is accepted without dispute and abroad measures are already afoot to meet competition in neutral countries directly the war comes to an end.

To that end, a leading shipping journal, «The Syren», has commissioned Mr. W. Maitland, a journalist of world-wide experience, to undertake investigation and propaganda in this country.

The burden of the debt incurred by the war will lay heavy on British trade perhaps for centuries. To retain and improve our position in the world's trade, shipping, the greatest of all interests, should be cared for first and foremost. We trust that a generous support will be afforded to Mr. Maitland's initiative, not only by British shipping concerns connected with this country, but by all merchants and traders whose interests are bound up with those of the Empire.

It was out of the huge floating balance provided by the profits of foreign trade and shipping, that in 1913 was calculated at £200,000,000, that the United Kingdom financed her colonies and foreign countries to the amount off £196,5357,000, and it is on her ability to restore this margin, so terribly encroached on by war borrowings, that the development of the Empire and rehabilitation of the Allies, not to mention neutrals in South America and Asia, mainly depends.

Brazil Commercially Considered. We reproduce the introduction of «Brazil Commercially Considered», a supplement of «The Syren,» published in London. It is profusely illustrated, with an interesting description of different Brazilian ports and harbours.

«With a view to strengthening the ancient friendship between Great Britain and Brazil, and to knit closer the commercial bonds which unite the two countries and peoples, «The Syren and Shipping» have despatched to Brazil a special commissioner, Mr. D. Paterson Maitland, to prepare a special illustrated number, which will be published under the title «Brazil Commercially Considered.»

It will be his pleasure and duty not only to tell the British trading world about the general features of Brazilian economic life, but to closely examine and report on the great resources of that country, to indicate the openings there for the products of British manufacture and reciprocally to tell British importers what Brazil can send them in exchange.

With this intention our special commissioner will travel throughout the land, visiting the centres of industry and commerce. He will describe the increasing railway development, the enormous and wonderful waterways, the great plantations and the thriving industries. He will talk with the economic leaders of the country and report to our readers what they think of the commercial future of Great Britain in their markets.

It may seem that the present period of upheaval is hardly the time on which to embark on such an undertaking. But the war cannot continue for ever, and even now we can foresee the ultimate issue. The present is the time to prepare for that great international trade revival which must follow on the declarati n of peace. It will take many years to restore the wastage which hostilities have caused, not only to the belligerents, but also, though perhaps in less degree, to neutrals. However much profit a nation may have made in the war, it has had to a large extent to allow it to remain lying idle, because the dislocation of industry and commerce and the high cost of freight has prevented its being used to import the machinery and other materials necessary for the further development of the country. Consequently, after the war, not only normal requirements will have to be satisfied, but arrears will have to be made up. It may be expected, therefore, that the cessation of hostilities will witness a demand unprecedented in peace time on the resources of the great manufacturing nations.

The campaign which «The Syren and Shipping» are conducting by the despatch of their special commissioner, Mr. Maitland, to Brazil; by similar work in Great Britain; and by the publication of «Brazil Commercially Considered», has the object of helping to secure to Brazilian-British trade a great and permanent development.»

After the War. Another great German monopoly is now threatened by the detrmination of the British Government to foster the establishment of the palm kernel industry in Great Britain. Prior to the war, though the raw material came almost exclusively from British Colonies and Possessions in Africa, the milling and manufacture of the kernels was a German monopoly. The war has altered all that and in 1915 no less than 50,000 tons of kernels were discharged at Hull from Elder Dempster steamers, besides 15,000 tons of pea nuts. In the past peanuts were almost exclusively dealt with at Marseilles, but as one result of the war British millers have taken up the industry and with the help of the British Government hope of develope and retain it. The report of the Committee, of which Sir Owen Philipps is a member, recommends a tax of £2 per ton on all kernels exported from British West Africa during the war and for five years after, with remission on same for all kernels shipped to and crushed in any part of the British Empire. As the trade has been chiefly in German hands hitherto, there is an appreciable danger, the committee points out, of lavish aid on the part of Germany after the war to regain this important industry. The duty of £2 is regarded as merely tentative and if inadequate should be raised.

Dr. Elmer Lawrence Corthell. It is with regret that we hear of the death of this eminent engineer, for some years identified with enterprises in this country, at the age of 79, at Allaw, N.Y. Dr. Corthell served in the Union army in Virginia and North Carolina, but after the war re-entered Brown's University and in 1873 was chief engineer of the bridge over the Missippi. In 1875 he took charge of the construction of jetties at the mouth of the Missippi. In 1880 he made the survey for the Tehuantehee ship railway. The honorary degree of doctor of science was conferred on him by the Brown University in 1894. After two years in Buenos Aires he came to Brazil in 1904, where he was engaged on the plans and construction of the port works at Para and Rio Grande do Sul. At the time of his death he was President of the American Society of Civil Engineers and affiliated to countless other similar societies in other countries.

MONEY

Official Quotations, Exchange Camara Syndical and Vales:—

	90 dys	Sight	Sovs	Vales
Monday, 17 July	12 17-32	12 27-64	19$800	1$928
Tuesday, 18 July	12 5-8	12 33-64	19$700	1$928
Wednesday, 19 July .	12 39-64	12½	19$800	1$928
Thursday, 20 July ...	12 37-64	12 15-32	19$700	1$928
Friday, 21 July	12 41-64	12 17-32	19$600	1$928
Saturday, 22 July	12 39-64	12½	19$600	1$928
Average for week	12 19-32	12 15-32	19$700	1$928

Caixa de Conversão. Gold in deposit, Rs. 75.230:952$, equivalent to £5,015,397. Notes in circulation, Rs. 94.559:930$.

Monday, 17th July. All banks opened at 12 9 16d., offering to take at 12 21-32d., but with the exception of the London and River Plate Bank retired to 12 17-32d and for a short time only quoted 12½d., bills being offered shortly after at 12 5-8d. on firmer news from Santos, banks resumed drawing at 12 9-16d., without attracting money.

Tuesday, 18th July. All banks opened at 12 9-16d., but on an entirely paralysed market the Ultramarino pushed the rate to closing at 12 21-32 in Ultramarino and 12 5-8d. in others, with 12 11-16d., at which rates the City bank also drew, the market no money offering and takers of commercial at 12 23-32d.

Wednesday, 19th July. The Ultramarino opened at 12 21-32d and others at 12 5-8d., the former a more eager buyer than seller. In the absence of bills and some taking for liquidation, rates declined until at the close banks were not eager drawers at 12 9-16d, all offering to take at 12 5-8d.

Thursday, 20th July. Banks opened at rates varying from 12½d. to 12 19-32d., the latter in the Ultramarino, which pushed the rate to 12 21-32d. The market closed with banks drawing at 12 19-32d. to 5-8d. and Ultramarino at 12 21-32d., but no money and no bills over 12 21-32d. and the latter scarce even at that rate.

Friday, 21st July. The Ultramarino opened at 12 5-8d., others at 12 19-32d., the former pushed rates to 12 11-16d., but was again rather a buyer of ready bills than a seller, no bills appearing at any rate. The market closed with banks quoting 12 9-16d. and 12 5-8d. for drawing, the latter rate in the Ultramarino.

Saturday, 22nd July. The Ultramarino opened at 12 5-8d. and other banks at 12 19-32d. to 12 9-16d., the market closing at 12 19-32d. in Ultramarino and 12 9-16d. in others, after a small business in commercial in 12 5-8d.

Rio de Janeiro, 22nd July, 1916.

Opening on Monday, 17th, at 12 9-16d., 90 days' rate on London rose on Tuesday to 12 11-16d., dropped again on Wednesday to 12 9-16d. and closed this evening at 12 19-32d.

Oscillations were so frequent and regular as to give rise to the suspicion that rates were being officially manipulated and kept from rising. But there seems no necessity for any such supposition, seeing that in the absence of ready bills, any sudden call on the market, such as the remittance by the City Improvements Co. of £150,000 lately received from the Treasury, combined with the evidently overdrawn position of one of the foreign banks and the imminence of the monthly liquidation is of itself sufficient explanation of the phenomenon.

The scarcity of ready bills is as bad as ever, seeing that the few now coming forward have been anticipated long ago by speculation. Embarques are very small, only £152,357 for the week, as against £341,000 for the week before, whilst the price of coffee in our markets seems to be kept up only by the short interest at Santos, where sales for July-Sept. at 9¾c. are still uncovered, with c. and f. quoted at 11c. ex commission.

Rio and Santos quotations are away above New York parity and unless they should drop, it is difficult to see how any great business can be done with that market.

Freight rates are falling rapidly and there seems now no room for anxiety as to the moving of the crop, but rather as to where it is to be moved to. Consequently Americans, probably, will probably revive their waiting policy and buy from hand to mouth as they did before the war.

Even on the basis of actual prices, the 1916-17 Santos and Rio crops will, as far as can be foretold, give some £4,000,000 less than last crop. Other exports, such as rubber, manganese, cocoa and meat may all yield somewhat more, but they will never compensate for the falling off in the value of coffee—the fundamental factor on the exchange market.

There may be a transitory improvement at the height of the crop, but the probable shrinkage of £4,000,000 for the crop in the value of coffee exports taken with the increase in imports, forbids optimistic conclusions.

From Pernambuco a further contract for shipment of 100,000 bags of sugar to the Plate, payable in October is reported, which is no doubt a point in favour of exchange.

But against this is to be put the aminous issue of paper apparently for covering current expenditure, such as interest on apolices and payments to the City Improvements.

COFFEE

Entries at the two ports during the week ended 20 July show shrinkage of 28,606 bags compared with the previous week, of which 26,589 bags at Santos and 2,017 at Rio. Compared with the corresponding week last year, entries show a shrinkage of 146,557 bags at the two ports and of 217,943 bags for the crop.

Clearances improved, but for the crop show a shrinkage of 69,829 bags or 18.9 per cent. and in sterling value of £11,489 or 1.6 per cent. compared with the corresponding period last year.

Average f.o.b. value for the week was £2.272, as compared with £2.323 for previous week.

Embarques (clearances) were insignificant, 79,505 bags less than for previous week and 142,663 bags under same week last year. Their f.o.b. value at £2,272 per bag was £152,000, as against £341,000 for previous week.

Sales (declared) were likewise insignificant, being 56,362 bags less than for previous week and 72,412 bags under those of corresponding week last year.

Of the total of 70,945 bags **Sailed,** 3,504 went to the States, 25,319 to Scandinavia, 27,115 to France, 7,230 to rest of Europe and Mediterranean, 2,896 to River Plate and 4,881 coastwise.

Stocks at the two ports show increase off 59,807 bags, accounted for by increase of 153,855 bags at Santos and a shrinkage of 94,048 bags at Rio.

Prices at Rio show slight all round decline and at Santos an improvement, as also in consuming markets.

	Average	Closing 22 July
Rio No. 6 per 10 kilos	6836	6$740-809
No. 7	6$632	6$468-536
No. 8	6$359	6$196-264
No. 9	6$087	5$923-991
Santos—Superior	7$050	—
Good average	5$350	—
Type No. 6	5$650	5$700
		Opening
New York—Options, September	8.40c.	8.40c.
December	8.53c.	8.54c.
March	8.73c.	8.74c.
Havre—September options	73f.50	74f.00
December	71f.62	72f.25
March	70f.50	72f.25
London—September options	47/5	46/9
March	49/9	49/6

—«Le Bulletin de Correspondance» of Havre, (17 June) says: After closing firm on Wednesday, the market weakened on the announcement of offers of 100,000 bags of valorisation coffee. It is understood that this coffee will be offered at relatively low prices and will not exercise any pressure on the market. In fact they may be said to have been sold already, as no one would care to miss such an opportunity. On the other hand, the prices demanded imply that terme prices are too high.

—The same journal of 19 June says: It is likely that the New York market was affected on Saturday (17th) by the fall at Havre that followed the announcement of the Government of S. Paulo offering 100,000 bags for sale. We fail, however, to understand how any importance can be attributed to this fact as to-morrow (20th) the French Government will purchase 83,000 bags at Havre and Marseilles.

—Since May shipments to Scandinavia to 20th July were only 36,444 bags, as against 146,000 for all July last year. Evidently the blockade is telling!

—An old timer in the coffee trade said to Coffee Gossip recently, that Hard and Rand had been more frequently mentioned in the down town coffee district than almost any other firm save Arbuckle Bros., and the one was as often spoken of as the other by cofffee buyers, local and out of town. Continuing, he said: «Hard and Rand through their London firm distributed through their New York house the largest coffee jubbing trade of any firm in the United States in a year and seemingly was more active and vigorous in pushing business than any firm in the American market.» He also remarked they are a finely organised house, and in business, act as a unit, in one compact whole. It is a pleasure to pay deserved tribute to one among the foremost of our coffee firms in a long period of unbroken success.—«The American Grocer.»

THE POSITION OF COFFEE.

Clearances from Rio and Santos.

	1913-14	1914-15	1915-16
Rio	2,663,032	3,095,852	3,109,452
Santos	11,291,999	9,633,234	11,364,151
Total overseas	13,955,031	12,728,086	14,473,603
Coastwise	306,058	252,907	287,797
Total	14,261,089	12,981,993	14,761,400

Increase 1915-16 compared with 1914-15: Total clearances, 13.7 per cent.; overseas clearances, 13.7 per cent.; coastwise, 13.7 per cent.

Embarques:—

	Rio	Santos	Total
1913-14	2,954,288	11,271,306	14,225,594
1914-15	3.426.277	9,671,899	13,098,176
1915-16	3,328,210	11,432,183	14,760,393

Increase 1915-16 compared with 1914-15, 1,662,217 bags or 12.7 per cent.

F.O.B. Value of Oversea Clearances in £.:—

	Rio	Santos	Total
1913-14	6,487,822	33,620,504	40,108,326
1914-15	5,302,076	20,177,145	25,479,221
1915-16	5,959,000	22,384,490	28,343,490

Increase 19195-16 compared with 1914-15 £2,864,269 or 11.2 per cent.

Entries in bags of 60 kilos:—

	Rio	Santos	Total
1913-14	2,945,132	10,855,454	13,800,586
1914-15	3,357,768	9,497,553	12,855,321
1915-16	3,259,393	11,744,492	15,003,885

Increase 1915-16 compared with 1914-15: Rio 3.2 per cent., Santos 23.6 per cent., total 16.7 per cent.

Stocks, in bags of 60 kilos:—

	Rio	Santos	Total
1 July, 1916	246,958	773,872	1,020,830
1 July, 1915	294,926	501,025	795,951
1 July, 1914	160,801	608,356	769,157

In an article in this Review in December, we pointed out what the effect of the blockade of enemy ports and shortage of tonnage were likely to be. Fortunately for this country the blockade only lately has been taken in earnest, whilst owing to measures adopted by the British Government, not only is tonnage in fair supply, but freight rates to the States have dropped instead of rising.

The only countries through which Germany could hope to receive cofffee from this country are Sweden, Norway and Denmark.

Between June, 1914 and 1916, coffee to the amount of 5,100,000 bags were exported to Scandinavia, of which some 700,000 bags are held up in the United Kingdom. Allowing 2,000,000 bags for domestic consumption of the Scandinavian countries, some 2,400,000 remained for re-export. On 30 June, 1914, stocks at Hamburg, Bremen and Antwerp amounted to 3,256,000 bags and with the coffee received during the two seasons 1914-1916, made a total of 5,656,000 from Brazil alone, without taking into account re-exports of Brazil coffee from the United States, or sufficient almost exactly for two year's consumption of Germany on the basis of 1913, of 2,628,000 bags per annum.

However Great Britain might in the interest of Brazil wink at this evasion of the blockade, sooner or later, the impatience of the British public at the lax fashion in which the blockade was being enforced, was bound to force the British authorities to take action.

During the four months October, 1915, to January, 1916, the scandal reached its climax, and 2,000,000 bags were exported to Scandinavia, as against 598,000 in same period 1914-15, and only 134,000 bags for the normal season 1913-14, prior to the war.

Since January, however, there was a complete transformation and owing to stricter enforcement of the blockade and other causes, exports to Scandinavia for the remaining five months of the crop dropped precipitously from a monthly average of 413,900 bags for the seven months July-January, to that of 168,000; and in June stopped entirely. Lately a very small trade with Sweden has been revived.

Of course the interests of the cofffee trade in this country suffered in consequence of the restriction of exports to Scandinavia and it was in view of the inevitable effects that, sooner or later, it was bound to exercise on coffee prices that we proposed that a loan should be negotiated in Gt. Britain to enable these markets to carry the coffees they were unable to place in Scandinavia or other markets. At the time such an operation would have been realisable, seeing that both British and Brazilian interests are identified with the maintenance for foreign exchanges. Since then, however, the financial situation in England has been profoundly modified and it seems doubtful whether any such operation would be now feasible.

The fact that six cofffee cargoes bound for Scandinavia were until lately held up n British ports and that over 700,000 bags of Brazilian and other coffees have failed to reach their destination, it is evident that henceforth the blockade may be expected to be rigorously enforced and enough coffee be allowed to go forward only to satisfy the domestic requirements of those countries.

It is no use blinking the situation and we may as well make up our minds at once that shipments to Scandinavia for the current crop will be cut down to some 1,500,000 bags.

To the United States exports from Brazil during the season 1915-16 amounted to 5,896,514 bags, of which some 300,000 bags seem to have been re-exported, leaving net imports by that country at about 5,600,000, or much the same as for 1914-15.

In view of the impediments in the way of re-exports to Scandinavia and Holland, this seems a reasonable estimate of exports for 1916-17, seeing, moreover, that the United States now retain a much larger proportion of Central American mild coffees than formerly.

The Mexican scare, fortunately conjured for the moment, caused a slight setback, but could not affect the market to any appreciable extent, in view of the insignificance of Mexican production.

For the most part prices are maintained here by short interests. Some weeks ago Santos started selling as low as 9¾c. basis No. 4 for July, August and September delivery, a good deal having been sold about 10c., that so far does not seem to have covered. Meanwhile c. and f. is quoted at Santos ex commission at 11c. or 11 5-8c. with commission. Last year the market was active with No. 6 selling at 4$400; to-day it is dead at 5$600.

According to all the rules, prices ought to come down; but do not because, in the first place, of the short interest and, in the second, possibly buying for valorisation account. Dr. Cardoso Almeida, the Secretry of Finance of S. Paulo, did not come here for nothing.

Freight rates to the States are falling steadily and point to easy rates for the rest of the crop, as more outward tonnage is offering for that destination than can be utilised. We hear of an offer of 50 cents a bag for New York by a Swedish Line, that seems to find some difficulty in obtaining bunker coal in England.

The weather has been good for drying, but qualities are reported not to be up to expectations, though better than last year's. It is, however, early yet to come to conclusions.

The American coffee market is dead because there is too much coffee or rather too few consumers. The diffference between American and Brazilian parity is quickly disappearing and with it the advantage of trading in New York below Brazilian parity. Stocks, however, have not yet accumulated to the extent to cause a break of prices, nor will they should valorisation again become active.

As regards European markets, Scandinavia, except for domestic requirements, may be eliminated. Exports to Great Britain for the crop amounted to 375,827 bags, as against 477,563 bags last year, a shrinkage of 101,736 bags, exclusive, of course, of the coffees seized, said to amount to 700,000 bags, little of which, however, seems to have gone into consumption so far and may possibly find its way ultimately to its original destination. Anyhow, little expansion, if any, of direct exports to this destination can be looked for.

To France shipments for the 1915-16 crop from this country amounted to 2,327,634 bags, as against 1,797,813 bags for the 1914-15 season, an increase of 329,821 bags or 18 per cent. Stocks at Havre, in spite of sale of 100,000 bags of valorisation coffee, are about 200,000 bags larger than last year.

The sale of 100,000 bags apparently to the French Government caused some weakness and is, of course, a bear feature because it represents so much less to be exported to France and gives still greater prominence to Brazil's dependance on American markets. Speculation is nil and buyers apparently indifferent as to the future. Meanwhile coffee cargoes are being held up in the United Kingdom and stocks accumulating in primary markets.

Consumption in France seems on the increase, but whether exports will be in proportion will depend largely on the policy of the S. Paulo Government with regard to the disposal of valorisation coffees.

In the absence of any information on this score, exports to France may during the actual season be put at 2,500,000 maximum.

No increase can be expected in exports to other European countries and the Mediterranean, which for the 1915-16 crop amounted to only 147,000 bags.

For South America, South Africa and other countries, 600,000 bags may be allowed, an increase of 64,000 bags compared with 1915-16.

Summary of Exports for 1916-17:—

	Last season	Estimate for this season
Scandinavia	3,293,000	1,500,000
Holland	646,000	646,000
Mediterranean	147,000	147,000
United States	5,896,000	5,600,000
South America, etc.	536,000	536,000
Allies—		
France	2,328,000	2,400,000
Great Britain	376,000	376,000
Other Allies and Colonies	1,232,000	1,232,000
Not discriminated	117,000	117,000
Total shipments	14,571,000	12,354,000
Stocks, 1 July, 1916, Rio and Santos.	1,021,000	—
Crop 1915-16, Rio & Santos, estimate	13,250,000	14,271,000
Estimated exports		12,354,000
Surplus, 1 July, 1916		1,917,000

An early declaration of peace or a fall in prices would, of course, materially modify prospects. Of the former, however there seems little hope for months or perhaps years to come.

Apart from peace probabilities, these estimates are, of course, liable to be modified, on the one hand, by a fall of prices in primary markets and consequent stimulation of imports to U.S. or relaxation of the blockade; and, on the other, by further sales of valorisation coffees to France or retention of stocks in this country and rise of prices in primary markets and, on one side or the other, by modifications of the volume of entries.

The f.o.b. value for the Rio and Santos coffee crops works out at £1,92 on an average. Supposing this value to be maintained, on the basis of shipment of 12,354,000 bags, the f.o.b. value of the current crop would be £23,700,000, as against £28,344,000 for the 1915-16 crop, a shrinkage of £4,644,000.

As soon as complete returns for entries and clearances from other ports to different destinations are available and the destination of the 117,000 bags not yet accounted for can be determined, we propose to revise these estimates. But they may be taken as fairly approximate for the moment.

The price of coffee during the current crop depends on the ability of Brazil to hold stocks until active buying in America and elsewhere is renewed and on the prospects of the coming 1917-18 crop

This promises to be a bumper, so that should the war not have come to an end by July, 1917, unless Brazil can take enough off the market to make good the shrinkage in demand due to the blockade of Germany and Austria, a fall of prices would sooner or later seem likely.

Of the authorised issue of Rs. 350.000:000$ paper money, equivalent to £17,500,000 at 12d., Rs. 310.000:000$ have been issued already and only Rs. 40.000:000$ or £2,000,000 remain. Of the former so far S. Paulo has ostensibly received only 11.000:000$ or £550,000, and unless the balance of 40.000:000$ can in some way be secured, there seems every chance of S. Paulo whistling for its money and valorisation becoming a dream of the past.

The more paper money is issued, of course, the worse it will be ultimately for foreign exchanges, but meanwhile valorisation would help to maintain quotations and to some degree counteract the shrinkage of export values resulting from smaller shipments.

The sensible policy to follow would seem to be to utilise the balance of paper money already authorised in buying up coffee for which there may be no demand and hold it back, even at the risk of a bumper crop next season, until the close of the war, when a colossal demand may be expected to make good the woefully depleted stocks of the Central Empires and their Allies.

—Circular of Minford and Leuder, 23 June:—The spot demand for coffee has slighly improved. The large deliveries this month must have increased interior stocks, which may interfere with an early resumption of a more active inquiry. The Santos receipts are running ahead of last year and the stock is also larger but is much below the quantity that would cause a pressure to sell. It is claimed that should the receipts become unduly free, the S. Paulo State will regulate them as was done in the early part of the present crop. The official rate for freight from Brazil has been reduced to $1.00 per bag and be obtained for less. The reported sale of the Santos portion of the valorisation stock held in Havre, which was looked upon as a bearish feature turns out to have been a sale to the French Government of only about 100,000 bags, leaving altogether about 1,174,000 bags unsold. It was cabled from Copenhagen that six steamers (five Swedish) with coffee from Brazil had been seized by the English for fear they would be smuggled into Germany. It is probable that at least 700,000 bags of cofffee destined for other countries are now being held by force in England until the war is over, all of which has been figured in our statistics as deliveries. The visible supply of Brazil cofffee for the United States is decreasing and is now 83,630 bags less than last year. The supply is not large and would be a bullish factor were it not for our large deliveries and the difficulty experienced by Brazil in making shipments to Europe outside of France. Regarding the figures of actual deliveries of the world, Mr. E. Laneuville reports that they comprise «the net deliveries of the statistical ports of Europe and the United States; the arrivals direct from Brazil in the non-statistical ports and cargoes lost at sea; the shipments from Brazil to Cape, Argentina, etc. coastwise shipments in Brazil and the local consumption at Rio and Santos.» There is no doubt that the actual consumption of coffee in the world is at least 2 million bags more than statistically quoted. The future of the market at present depends upon Brazil's ability to hold their stocks now increasing until our buyers are willing to purchase freely. The quantity of coffee is smaller than usual, being only 112,000 bags. We believe the coffee trade should carry normal stocks. We quote the market quiet and nominally unchanged from last week.

The cost and freight offerings have been irregular both as to price and time of shipments. The prices are lower, but sellers want bids.

Deliveries of Brazil coffee in the United States are large, although the spot demand continue light. For the 22 days of June, they are 422,922 bags compared with 345,726 bags in May and 284,936 bags last year.

Trading in coffee futures during the past week has been fairly active at about unchanged prices untill Tuesday, since when a downward trend has prevailed. The market is narrow and a preponderance of orders either way easily affects prices. During the last two weeks there have been accumulated about 100,000 bags of the future months by outside interests, which has caused considerable comment. An operation like this may turn out a very profitable one. Coffee bought in June is generally a good purchase; the buyer accumulates his futures during a dull period and by buying the distant months secures the benefit of any adverse crop reports or of damage by frost, also of an advance which is almost sure to occur in case the European war should end. Under present conditions, it is difficult to foretell the market, but we are inclined toward conservative buying as prices decline and the taking of profits on bulges. To-day the market is barely steady, on lower Brazil quotations, and increased Santos receipts, and closed at from 27 to 33 points decline from last Friday's close.

We have received a letter from one of our friends in the interior of S. Paulo, who write us as follows:—Since my last letter the crop has begun everywhere. Unhappily, the weather during the last two weeks has been unfavourable. It rains nearly every second day, which renders working on the terrereiros very tiresome. The quality is not so good as had been expected. Everybody had believed that the size of the beans of the new crop would be large and well developed but in cleaning the cherries the new fruit again turns out to be small, although being better than last year. It is very difficult to estimate the new crop, but there is no doubt that it is small. You will remember that in my previous letter I insisted several times on the fact that the preparation and clearing of the plantations in view of the harvesting of the new crop had been made early this year. The crop was supposed to be exceptionally precocious and a great loss of coffee was feared in consequence of falling berries. Unfortunately, it turns out now that this has been a mistake. However, as a result of the abundant and warm late rains, weeds and grass have rapidly been growing everywhere and I expect that perhaps 20 per cent of the crop will be lost in this way on many plantations. Another consequence of this is that there will be a great deal of low grade coffee at the end of the present season. As concerns the next crop, the prospects are good for 1917-18—but will these hopes materialise?»

Coffee Buying at Santos. (From «The Tea and Cofffee Trade Journal.») Before giving an account of the events incident to a coffee buyer's life in Brazil, it might be well to trace, briefly, the various steps through which the coffee passes from the time it leaves the plantation until it arrives on shipboard, the coffee buyer having more or less to do with it during that period. Most of the plantaions have their own mills where the coffee is cleaned and separated. It is then packed in rough bags and carted to the nearest railroad, where it is shipped to the commmisaries, or commission merchants, at the various coffee ports. The commission merchant mixes the coffee in uniform lots, repacks it, and then places it in storege to await purchase. When the commissario is ready to offer the coffee for sale, he sends samples of the various lots to the exporters. The sampling and buying process will be fully described further in this article.

The busy season for the coffee buyer, which extends from August to December, finds most of these men at their offices between 7-30 to 8-30 in the morning. Samples of the previous day's purchases have already been drawn and spread out on the tables, where they are compared with purchase samples and graded according to New York or European standards. While the green samples are being graded, duplicate samples are roasted, and when these are ready all chops are then graded on the roasted samples and marked fine, good, fair or poor, as each actual roast proves to be.

Some buyers then cup test the chop roasts and mark on cup grade. But cup testing is a development of the last ten years in Santos, and was first introduced by American houses. It is now more faithfully practised by American exporters in Brazil, and some Brazilian and European firms who do the bulk of their business with the United States.

An exporter doing a business of 500,000 bags a year would buy an average of about 3,000 bags a day each working day of the busy months of August to December. Some days during this season, the buyer might not like, the market, or the quality of the lots, with the result that the close of that day may find him «left» without any purchases made. This would result in increased buying the succeeding day.

Should the previous day's purchases be normal, the grading will take a good part of the morning hours. While this is being done, the office force has been kept busy on cables which have arrived from the United States during the night, the time consumed depending on the length of the cable messages and the codes used.

If the cables contain acceptances of the previous day's offers, fresh quotations are then made up based on the stock on hand, coffees just purchased and the individual ideas of the diffferent buyers. In making offers the buyer may base prices on what he just paid,lower or raise them as he thinks the market will change during the day.

This work disposed of, the remainder of the morning is usually occupied by making up shipments for the markets in Europe and the United States.

The importer in the United States should always bear in mind when receiving his shipment that his is not the only lot the shipper has to make up. The Santos exporter must please at least a hundred buyers in the United States, not to mention the vast number in Europe, each of whom has his own opinion as to what constitutes a good shipment.

I do not know of a more discouraging position than that of the Santos exporter, who sees his competitor selling blocks of good bean, good roasters, soft or Bourbon, well described, and the lots offered to him running from 25 per cent. to 75 per cent. poor roast or «rough» qualities, as frequently happens in a bad year. I suppose most of my importing friends in the United States will answer that a man should not offer what he cannot deliver. But, if any exporter should make offers without «good roast» or «soft» in the description, he could not place any of his offers except at a sacrifice in price which would soon break him, because enough exporters would submit the regular descriptions and get the business. Nor would the exporter who did not quote on well described coffees freely, get the preference, or a premium for his deliveries the following season, as I have often heard argued. The «cheap» man gets the bulk of the business. The remedy is partly in the hands of the importing trade which should pay more attention to the name of the shipper than to 10 or 15 points in price.

There are a number of importers in the United States (three of them among the largest buyers) who are willing to pay a premium for well described coffees, and, needless to say, they register few «kicks». Most Santos exporters conscientiously try to deliver the best they can and please their customers. If they did not, they would soon loes the confidence of the importing trade in the United States and be unable to sell. It should always be understood between buyers and sellers of cost and freight coffees, that the run of the crop must be taken into consideration when doing business under the regular descriptions.

But let us return to the Santos end. Shipments, having been made up as far as possible with the stock on hand, it is time for lunch or «breakfast», as it is called there.

The coffee trade in Santos is largely within the radius of a few city blocks, and most of the exporting firms are located on the Quinze de Novembro or the Rua San Antonio. If one's office is on the rua San Antonio he passes through the short block of the «Quinze» on his way to the club, in the street on which is conducted the bulk of the transactions in «typo Quatro», as the option there is familiarly called. During the boom of 1910 to 1912, this block was probably the most animated of any in South America and is still the general rendezvous of most brokers. The dealing in «typo Quatro» is less spectacular than during those years, and many brokers who then dealt only in the option are now working industrially on spot lots; and they work well. At the end of the next block on the «Quinze» is the Santos City Club. Between the hours of 10-30 a.m. to 1 p.m., the club rooms are filled with members, prominent among whom are representatives of almost all of fthe foreign exporting firms, bank managers and exchange brokers, with a fair proportion of Brazilian commissarios and exporters.

From 1-30 to 4-30 p.m. samples of lots of coffee offering for sale are brought to the exporter's grading room, and as each lot is graded the broker takes the samples to the next exporter, and so on until he has had the lot graded by all the buyers to whom he cares to offer it.

As an active house will have offered to it, any busy day, as many as 20,000 to 70,000 bags of coffee, it is easy to understand that the work of the grading hours is the hardest of the day.

After lots have been graded, averaged as to grade and filed, the brokers return for bids. Their method of selling is practically an auction without the advantage of an auction to the buyer.

If a broker receives what he considers a fair bid, he will say he must consult his client, or if he thinks the bid too low, he will says he has a better offer from a competitor, at the same time mentioning the bid he claims to have, and asking if the buyer cares to offer the same or more. By this method, playing a dozen or more buyers, one against the other, the broker usually gets a price above the parity one is offering to the United States markets the same day.

Should the New York quotations arrive, quoting options in New York much lower, while the trading is going on, and the buyer at the same time has many bids out with brokers, it is then high time for him to receive a telephone message from his home requiring his immediate presence. This will enable him to close the office and «duck» for the day, before the avalanche of lots has a chance to return to roost.

Should a cable arrive while trading is on, in which the New York market accepts all offers and the exporter's stock be a small one, instead of receiving a telephone call, he must, to cover himself, commence raising his bids and try to buy.

As most off the larger exporter's daily offers are generally in line, several will probably receive cables of the same tenor. From this oftens ensues that competitive bidding which the Brazilians term a «lufa-lufa», and leaves the Santos market, as a result, so much above the American parity as to make Front Street wonder the next morning what has happened.

The tail end of the crop (from March to June), while giving more time for out-of-door diversions, is not a time of joy in the Santos coffee business.

Lots run with a large percentage of hardish and low grade qualities. Desirable coffees are scarce and at big premiums, and in buying one accumulates so much «junk» as to leave little chance of profit on the good portion of the lot.

Considering the large business and the «by word of mouth» method used in trading in Santos, I doubt if the same method of business could be done in New York in the same way with as little friction and difference of opinion.

The commissarios of Santos and particularly the older and larger houses, have a high standard of business honour. One can depend on their samples coming up to the original and their coffees are well bagged and up to weight. As a whole, they are a desirable people with whom to do business.

At Rio the buying methods are about the same as those that obtain at Santos. One important difference, however, is that the exporter, instead of dealing directly with the commissario, does business with what is known as the «ensacador», or coffee bagger. This party mixes the coffee and sells it to the exporter. The ensacador is gradually being eliminated, however, and the tendency is for exporters to deal with planters direct.

The coffee buyer's hours at Rio are much easier than at Santos. He generally reaches his desk about 10 in the morning and leaves at 4 in the afternoon.

Coffee Statistics

ENTRIES.

IN BAGS OF 60 KILOS.

During the week ending July 20th, 1916.

RIO	FOR THE WEEK ENDED			FOR THE CROP TO	
	Jul. 20 1916	Jul 13 1916	Jul. 22 1915	Jul. 20 1916	Jul. 22 1915
Central and Leopoldina Ry	22.461	22.132	36.408	65.559	115.586
Inland	79	121	1.325	200	4.383
Coastwise, discharged	870	575	1.737	5.93	5.259
Total	24.410	22.828	39.470	71.689	125.228
Transferido from Rio to Nictheroy	1.080	50	518	1.130	1.755
Net Entrio at Rio	23 330	22.778	38.952	70 559	123.473
Nictheroy from Rio & Leopoldina	2.811	5.380	8.539	8.191	15.203
Total Rio, including Nictheroy & transit.	26.14	28.158	47.491	78.750	138.676
Total Santos :	206.501	232.890	331.508	624.576	782.593
Total Rio & Santos.	232.442	261 048	378.999	703 326	921 269

The total entries by the different S. Paulo Railways for the Crop to July 20th 1916 were as follows

	Past Jundiahy	Per Sorocabana and others	Total at S. Paulo	Total at Santos	Remaining at S. Paulo
1916/1917	603.272	28.690	631.962	624 576	—
1915/1916	775 811	29.882	805.693	782.593	—

FOREIGN STOCKS.

IN BAGS OF 60 KILOS.

	July 20 1916.	July 13/1916.	July 22 1915.
United States Ports	—	—	1.186.000
Havre	2.347.000	2.115 000	1.933.000
Both	2.347.000	2.115.000	3 119.000
Deliveries United States	—	—	116.000
Visible Supply at United States ports	2.347.000	2.115.000	3 235 000

SALES OF COFFEE.

	July 20/1916.	July 13 1916.	July 22/1915
Rio	15.482	31.844	38.922
Santos	100.000	140.0 0	149.972
Total	115.482	171.844	188.894

COFFEE LOADED (EMBARQUES).

IN BAGS OF 60 KILOS.

	DURING WEEK ENDED			FOR THE CROP TO.	
	1916 July 2	1916 July 13	1915 July 22	1916 July 20	1915 July 22
Rio	8,367	27.240	69 376	67,364	146,270
Nictheroy	438	2 585	3,274	3,023	10,804
In transit	—	—	—	—	—
Total Rio including Nictheroy & transit	8 805	29 825	72,650	70,387	157,074
Santos	58 313	116,798	137,131	265,539	326 327
Rio & Santos	67 118	146,623	209,781	335,926	483,401

VALUE OF COFFEE CLEARED FOR FOREIGN PORTS.

During the week ending July 20th, 1916.

IN BAGS OF 60 KILOS.

	July 20	July 13	July 20	July 13	Crop to July 20/916	
	Bags	Bags	£	£	Bags	£
Rio	37,465	11,125	82.947	24 410	74,722	162,916
Santos	28.579	146.286	67,106	341,300	226,980	527,635
Total 1916/1917	66,044	157,411	150,053	365,710	301,702	690,551
do 1915 1916	139,450	117,640	265,846	217,922	371,531	702,040

COFFEE SAILED.

During the week ended July 20th, 1916, were consigned to the following destinations:—

IN BAGS OF 60 KILOS.

PORTS	UNITED STATS	EUROPE & MEDITERRANEAN	COAST	RIVER PLATE	CAPE	OTHER PORTS	TOTAL FOR WEEK	CROP TO DATE
Rio	3,564	32,085	4.462	1,002	—	894	41,937	81,564
Santos	—	27,779	419	300	—	500	28,998	230,537
1915/1916	3,504	59,844	4,881	1,302	—	1.394	70,925	312,101
1914/1915	21.710	105 232	1,960	8,508	—	—	140,400	581,152

COFFEE PRICE CURRENT.

During the week ending July 20th, 1916.

	July 14	July 15	July 17	July 18	July 19	July 20	Average	Closing Jul 22
RIO—								
Market N. 6 10 k..	—	—	—	—	—	6.741	—	—
	—	—	6.877	6 877	6 877	6.809	6.876	5.740
» N. 7	—	—	—	—	—	6 577		—
	—	—	6.673	6 673	6 673	6.605	6.632	6.166
» N. 8	—	—	—	—	—	6 264	—	—
	—	—	6.400	6 400	6.400	6.332	6.359	6.196
» N. 9	—	—		—	—	5.992	—	—
	—	—	6.128	6.128	6.128	6.000	5.087	5.923
SANTOS—								
Superior per 10 k..	—	—	7.600	7.000	7.100	7.100	7.050	—
Good Average	—	—	5 3 0	5.300	5.400	5.400	5.350	—
Base N. 6 »	—	—	5.600	5.600	5.700	5.700	5.650	5.700
N. YORK, per lb..								
Spot N. 7 .. cent.	—	—	—	—	—	—	—	—
» » 8 . »	—	—	—	—	—	—	-	—
Options --								
» Sept.... »	832	838	837	840	816	850	840	846
» Dec.... »	845	850	846	854	861	865	853	854
» Marc... »	863	869	866	876	880	885	873	874
HAVRE per 50 kilos								
Options ..... francs								
» Sept .. . »	—	—	—	—	73.50	—	73 50	74.00
» Dec .... »	—	—	—	—	71.50	71.75	71.62	72.25
» Marc.... »	—	—	—	—	70.50	—	70.50	72.25
HAMBURG per 1/2 k								
Options..... pfennig								
» Sept. »	—	—	—	—	—	—	—	—
» Dec... »	—	—	—	—	—	—	—	—
» Marc.. »	—	—	—	—	—	—	—	—
LONDON cwt.								
Options. ... shillings								
» Sept.... »	47/9	47/9	47/6	47/3	47/3	47/3	47/5	46 9
» Dec.... »	—	—	—	—	—	—	—	—
» Marc.. »	49 9	49 9	50/-	49/9	49 9	49/9	49/9	49/6

OUR OWN STOCK.

IN BAGS OF 60 KILOS

RIO Stock on July 13th, 1916................................		187.929
Entries during week ended July 20th, 1916..........		23.330
		211.259
Loaded «Embarques», for the week July 20th, 1916......		8.367
STOCK IN RIO ON July 20th, 1916.................		202.892
Stock at Nictheroy and Porto da Madama on		
» July 13th 1916	22.910	
» Afloat on July 13th, 1916................	45 271	
Entries at Nictheroy plus total *embarques* including transit..................................	11.616	
	79.797	
Deduct : embarques at Nictheroy, Porto da Madama and Vianna and sailings during the week July 13th, 1915..........................	42.365	
STOCK IN NICTHEROY AND AFLOAT ON July 20th, 1916		37.432
STOCK IN 1st and 2nd HANDS and THOSE AT NICTHEROY and AFLOAT ON July 20th, 1916.........		240.324
SANTOS Stock on July 13th, 1915..................	972.421	
Entries for week ended July 20th, 1915.......	206.301	
	1,178.722	
Loaded (*embarques*) during same week..........	58.313	
STOCK IN SANTOS ON July 20th. 1916..		1.120.409
Stock in Rio and Santos on July 20th, 1916..		1.360.733
do do on July 13th, 1916.		1.300.926
do do on July 22th, 1915....		131.937

RIO DE JANEIRO.
MANIFESTS OF COFFEE.

During the week ending July 20th, 1916.

10—CUBATAO—B. Aires	Ornstein & Co	300	
Ditto—Montevideo	Ornstein & Co	250	550
12—PROVENCE—Marseilles	Karl Valais	4,000	
Ditto »	Louis Boher & Co	3,265	
Ditto »	Jessouroun Irmaos	809	
Ditto— »	Castro Silva & Co	625	
Ditto »	Carlo Pareto & Co	506	
Ditto »	Hard, Rand & Co	125	
Ditto—Oran	Gabriel de Oliveira	2,000	
Ditto »	Pinto & Co	1,750	
Ditto »	Produce Warrants Co.	1,000	
Ditto— »	Hard, Rand & Co	1,000	
Ditto— »	Castro Silva & Co	1,000	
Ditto— »	Louis Boher & Co	125	
Ditto— »	Jessouroun Irmaos	125	
Ditto—Gibraltar	Norton Megaw & Co	2,895	
Ditto— »	Jessouroun Irmaos	1,500	
Ditto— »	McKinley & Co	250	
Ditto - »	Pinto & Co	125	
Ditto—Algiers	Pinto & Co	2,375	
Ditto »	Hard, Rand & Co	625	
Ditto— »	Castro Silva & Co	250	
Ditto—Mostagnem	Hard, Rand & Co	250	
Ditto— »	Pinto & Co	250	
Ditto »	Castro Silva & Co	125	
Ditto— »	Louis Boher & Co	125	
Ditto—Philippeville	Louis Boher & Co	125	25,065
15—PURUS—New York	Louis Boher & Co	2,000	
Ditto— »	Ornstein & Co	1,500	
Ditto— »	Fonseca Machado	3	3,503
15—MEXICO—Valparaiso	Hard, Rand & Co	300	
Ditto— »	Norton Megaw & Co	200	
Ditto— »	Jessouroun Irmaos	170	
Ditto—Punta Arenas	Norton Megaã & Co	224	894
18—A. V. JOYEUSE—Havre	Louis Boher & Co	3,000	
Ditto— »	Pinheiro & Ladeira	2,000	
Ditto— »	Produce Warrants Co.	2,000	7,000
18—BYRON—New York	Sundry	—	1
19—VERDI—Buenos Aires	Roberto do Couto	—	452
	Total overseas	—	37,455

COASTWISE.

4—ITASSUCE—Porto Alegre	McKinley & Co	200	
Ditto— »	Stolle Emerson & Co.	200	
Ditto— »	Castro Silva & Co	50	
Ditto—Pelotas	Ornstein & Co	75	
Ditto— »	Castro Silva & Co	50	
Ditto— »	Jessouroun Irmaos	25	600
4—ITAPACY—Imbituba	Lage Irmaos	—	100
6—ITAPURA—Pelotas	Delamare Faria & Co.	250	
Ditto— »	Ornstein & Co	150	
Ditto »	Stolle Emerson & Co.	125	
Ditto »	Eugen Urban & Co	25	
Ditto—Rio Grande	Castro Silva & Co.	50	
Ditto »	Stolle Emerson & Co.	40	
Ditto »	Stolle Emerson & Co.	75	
Ditto— »	Eugen Urban & Co.	25	740
9—ITAQUERA—Porto Alegre	McKinley & Co	200	
Ditto— »	Grace & Co	167	
Ditto— »	Sequeira & Co	25	
Ditto—Pelotas	Sequeira & Co	50	
Ditto— »	Grace & Co	20	
Ditto—Rio Grande	Grace & Co	20	482
12—ACRE—Para	Pinheiro & Ladeira	—	130
12—MANTIQUEIRA—Cuyaba	Antonio Milem	—	25
12—BAHIA—Para	Theodor Wille & Co	225	
Ditto— »	Castro Silva & Co	140	
Ditto—Ceará	Ornstein & Co	195	
Ditto- »	Theodor Wille & Co	140	
Ditto—Maranhão	Theodor Wille & Co	130	
Ditto— »	Kastrug & Co	95	
Ditto— »	Ornstein & Co	75	
Ditto—Pernambuco	Eugen Urban & Co. C	160	
Ditto— »	Theodor Wille & Co	75	
Ditto—Manáos	Eugen Urban & Co.	160	
Ditto—Itacoatiara	Eugen Urban & Co	50	1,445
13—ITAUBA—Pelotas	Ornstein & Co	350	
Ditto— »	Eugen Urban & Co.	100	
Ditto— »	Jessouroun Irmaos	25	
Ditto—Rio Grande	Eugen Urban & Co.	100	575
16—ITAGIBA—Porto Alegre	McKinley & Co	100	
Ditto— »	Theodor Wille & Co.	100	
Ditto— »	Castro Silva & Co	50	
Ditto—Pelotas	Castro Silva & Co	100	
Ditto—Paranaguá	Sequeira & Co.	15	365
	Total coastwise	—	4 462

SANTOS.

8—P. CHRISTOPHERSEN—Stockhm	Jessouroun Irmaos	3,375	
Ditto— »	Eugen Urban & Co.	2,750	
Ditto-- »	Hard, Rand & Co	1,000	

Ditto— „	Cia. Prado Chaves	1,000		
Ditto— „	Whitaker Brotero & Co.	1,000		
Ditto „	M. Wright & Co	1,000		
Ditto— „	Ed. Johnston & Co	1.000		
Ditto— „	Prado Ferreira & Co...	750		
Ditto— „	Levy & Co	500		
Ditto— „	Souza Queiroz Lins	500		
Ditto— „	Nioac & Co	250		
Ditto— „	Société F. Bresilienne...	250		
Ditto— „	F. S. Hampshire	250		
Ditto— „	Nauman Gepp & CoC	125		
Ditto—Malmo	Hard, Rand & Co	4,000		
Ditto— „	Leon Israel & Co	1,250		
Ditto— „	M. Wright & Co	500		
Ditto— „	Cia. Prado Chaves	250		
Ditto— „	F. S. Hampshire	250		
Ditto—Gothemburg	Cia. Prado Chaves	2,000		
Ditto— „	Whitaker Brotero & Co.	1,000		
Ditto— „	Náuman Gepp & Co ...	1,000		
Ditto— „	Hard, Rand & Co	819		
Ditto— „	Prado Ferreira & Co.	250		
Ditto— „	R. Alves Toledo & Co...	250	25,319	
15—GOUVEIA—Lisbon	J. Jorge Figueiredo	1,371		
Ditto— „	A. P. Noronha Galvao...	336		
Ditto— „	Bento de Souza	1	1,708	
15—MEXICO—Punta Arenas	Ed. Johnston & Co	—	500	
17—ANGO—Buenos Aires	J. C. Mello & Co	—	101	
17—P. SATRUSTEGUI—B. Aires	Eugen Urban & Co. ...	192		
Ditto— „	R. Hermanos	7	199	
17—AMAZON—Liverpool	Nauman Gepp & Co ...	750		
Ditto—Lisbon	Ed. Reis & Co	2	752	
	Total overseas	—	28,579	

SANTOS—COASTWISE.

17—ITAGIBA—Pelotas	Venanvio de Faria	158	
Ditto— „	J. C. Mello & Co	130	
Ditto— „	Diebold & Co	80	
Ditto—Rio Grande	Venanio Faria &I.mao.	50	
Ditto— „	Nioac & Co	1	419
	Total coastwise	—	419

PER DESTINATIONS

France & Colonies	27.115
Sweden	25.319
Great Britain & Colonies	5.520
United States	3.504
South America	2.896
Portugal	1.710
Overseas	66.064
Coastwaise	4.881
Total	70.945

PER SHIPPERS.

Brazilians	22.037
French	13.500
British	10.944
Americans	9.369
Blacklist (Ger. & Austr.)	4.992
Belgians	3.000
Portuguese	1.708
Italians	506
Sundries	8
Overseas	66.064
Coastwiss	4.881
Total	70.945

SHIPPING COMPANIES.

French	32.166
Swedish	25.319
British	5.602
Portuguese	1.708
Brazilian	1.050
Spanish	199
Overseas	66.044
Coastwise	4.881
Total	70.945

COFFEE SAILED DURING THE MONTH OF JUNE, 1916.

DESTINATIONS	Rio	Santos	Total
New York	18.800	64.006	82,806
New Orleans	16,750	2,500	19.250
Marseilles	7,898	—	7,898
Genoa	7,080	158.627	165.707
Buenos Aires	6,535	8.461	14.996
Havre	3.500	59.175	62,675
Valparaiso	3,200	—	3,200
Amsterdam	2,000	23.004	25.004
Algiers	1,625	—	1,625
Montevideo	16,00	100	1,700
Oran	1,375	—	1,375
Mostaganem	875	—	875
Bordeaux	686	5,037	5,723
Gijon	625	375	1,000
Santander	625	625	1,250
Talcahuano	300	—	300
Las Palmas	250	—	250
Coruna	250	—	250
Bilbao	272	450	722
Punta Arenas	230	—	230
Teneriffe	100	—	100
Rosario	100	—	100

Antofogasta			
Lisbon	100	—	100
Leixões	60	—	60
Coquimbo	50	—	50
London	25	—	25
Barcelona	—	20,016	20.016
Liverpool	—	3,769	3,769
Gibraltar	—	1,251	1,251
Malaga	—	250	250
Vigo	—	251	251
Sevilha	—	313	313
Naples	—	151	151
Huelva	—	125	125
Almeria	—	125	125
Cadis	—	50	50
Christiania	—	50	50
	—	13	13
	74.911	348,724	423,635

COASTWISE.

Pará	2,651	225	2,876
Pelotas	1,386	175	1,561
Porto Alegre	1,377	208	1,585
Manáos	785	—	785
Rio Grande	620	672	1,292
Maranhão	600	—	600
Fortaleza	515	—	515
Maceió	340	—	340
Parinteus	85	—	85
Pernambuco	100	320	420
Itacoatiara	200	—	200
Macau	120	—	120
Aracaju	130	451	581
Corumbá	50	—	50
Penedo	30	—	30
Tutoya	30	—	30
Florianopolis	25	—	25
Rio de Janeiro	—	238	238
Iguape	—	11	11
Itajahy	—	50	50
Paranaguá			
Grand total	9,044	2,351	11.395
Total coastwise	74.911	348.724	423.635
Total overseas	83.955	351.075	435.030

PER SHIPPERS (overseas)

Ornstein & Co.	22,675	—	22,675
Produce Warrants Company	7.500	—	7,500
Theodor Wille & Co.	9.950	5,500	15,450
Louis Boher & Co.	5,000	—	5,000
Hard, Rand & Co.	4,600	22,500	27,100
Castro Silva & Co.	3,725	—	3,725
Stolle Emerson & Co.	3,250	15,400	18,650
McKinley & Co	2,925	—	2,925
Carlo Pareto & Co.	2,600	—	2,600
Karl Valais	2,000	—	2,000
Pinto & Co.	2,425	—	2,425
Eugen Urban & Co.	1,750	1,500	3,250
Jessouroun Irmaos	1.273	1,000	2.273
J. Germano Ferreira	1,250	—	1,250
Norton Megaw & Co.	1,090	—	1,090
Leon Israel & Bros	550	6,250	6,800
Cia. Agr. Minas Geraes	250	—	250
M. da Costa Almeida	200	—	200
Sequeira & Co	200	—	200
Atlas Coffee Company	125	—	125
A. J. Hardman & Co.	100	—	100
Naumann Gepp & Co.	—	30.082	30,082
R. Alves Toledo & Co.	—	28,879	28.879
Eneas Malagutti	—	22,500	22,500
Ed. Johnston & Co.	—	20,278	20.278
Leite & Santos	—	19,974	19,974
João Osorio	—	16.076	16,076
Levy & Co.	—	14,750	14,750
Picone & Co.	—	11,825	11,825
Comp. Prado Chaves	—	11.272	11.272
J. de Almeida Cardia	—	11,250	11,250
Ind. R. F. Matarazzo	—	11.239	11,239
Whitaker Brotero & Co.	—	10,501	10,501
Souza Queiroz Lins & Co	—	10,350	10.350
Malta & Co.	—	8.846	8 846
Companhia Nacional de Café	—	7,947	7,947
Nioac & Co.	—	8.736	8,736
G. Trinks	—	6.258	6,258
Raphael Sampaio & Co.	—	5.340	5,340
J. Aron & Co.	—	4,050	4,050
A. do Amaral	—	3,355	3,355
Favilla Lombardi	—	3,001	3,001
Société F. Bresilienne	—	4,170	4,170
M. Wright & Co.	—	2,400	2,400
Leme Ferreira & Co.	—	1,800	1,800
Prado Ferreira	—	1,800	1,800
A. Baccarat	—	1,775	1,775
Arbuckle & Co	—	1,132	1,132
Comp. Puglisi	—	1,061	1,061
J. B. Sacracchio	—	1,015	1,015
McLaughlin & Co.	—	1,076	1,076
S. A. Martinelli	—	1,005	1,005
Santos Coffee Company	—	900	900
Geo. W. Ennor	—	726	726
S. Jacobson & Co.	—	701	701
	—	500	500

COMPANHIA COMMERCIAL DE SÃO PAULO

P. O. BOX 1113. **CABLE ADDRESS "WYSARD"**

SÃO PAULO

Codes Used: A.B.C. 5th Edition, Liebers, Bentleys, Brazileira Universal.

IMPORT. COMMISSIONS. CONSIGNMENTS.

Catalogues & Correspondence Invited.

Zerrenner Bulow & Co.	—	501	501
Milhomens & Co.	—	200	200
G. Tomaselli & Co.	—	200	200
Cerquillo Rinaldi	—	210	210
Belli & Co.	—	162	162
Dauch & Co.	—	129	129
Troncoso Hermanos	—	100	100
J. Jorge Figueiredo & Co.	—	51	51
Companhia P. Armazens Geraes	—	100	100
Francisco Tenorio & Co.	—	151	151
J. Carlos de Mello	—	40	40
Sundry	1.473	9,246	10,718
	74.911	348.724	423.635

Per shippers (coastwise)

Eugen Urban & Co.	2.040	85	2.125
Theodor Wille & Co.	1.460	—	1.460
J. Germano Ferreira	1.261	—	1,261
Ornstein & Co.	1.160	—	1,160
Sequeira & Co.	1.061	—	1,061
Castro Silva & Co.	330	—	330
McKinley & Co	525	—	525
Stolle Emerson & Co.	367	—	367
Jessouroun Irmaos	100	—	100
Pinheiro & Ladeira	260	—	260
Zenha Ramos & Co.	20	—	20
Venancio Faria	—	1,003	1,003
Belli & Co.	—	525	525
R. Vasconcellos	—	140	140
José Leandro Cardozo	—	238	238
Picone & Co.	—	120	120
Diebold & Co.	—	50	50
Sundry	460	190	650
Total coastwise	9.044	2.351	11.395
	74.911	348.724	423.635
Grand total	83.955	351.075	435.030

PER SHIPPING COMPANIES

Lloyd Brasileiro	18.300	23.600	41.900
Comp. Commercio Navegaçao	16.750	2,500	19.250
Transport Maritimes	11.773	—	11,773
Lloyd Nacional	7.080	62.822	69,902
Johnson Line	6.650	2,537	9.167
Chargeurs Reunis	4 600	59.177	63.777
Sud Atlantique	2.295	5.736	8,032
Comp. Translantica de Barcelona	2.122	863	2.985
Lloyd Real Hollandes	2,000	23.528	25.528
Royal Mail	2.555	22,226	24,781
Various English Lines	500	40,407	4[illegible]907
Lamport and Holt	285	400	685
Transatlantica Italiana	—	31.714	31.714
Various Brazilian Lines	—	20.388	20,388
Various Italian Lines	—	16,316	16,316
La Veloce	—	27,617	27.617
Pinillos Izquierdo & Cia.	—	5.645	5,646
Norwegian South American Line	—	3.037	3,037
N. Italia	—	210	210
Cia. Commercio e Navegação	370	245	615
Navegação Casteira	3.638	1,806	5,444
Lloyd Braseileiro (coastwise)	5.036	300	5,336
	83,955	351.075	435.030

PER DESTINATIONS.

United States	102,056
Italy	165,832
France and Colonies	81,195
Holland	25,004
Gt. Britain and Colonies.	21,768
South America	20.626
Spain	7,043
Portugal	110
Overseas	423,635
Coastãise	11,395
Total	435,030

PER SHIPPERS.

Brazilian	139.769
British	80,126
Italian	57,055
American	58,808
Blacklisted German and Austrian	47,762
French	19,546
Belgian	7.500
Other blacklisted	1,250
German and Austrian not blacklisted	601
Danish	500
Sundries	10,718
Overseas	423,635
Coastãise	11,395
Total	435,030

PER SHIPPING COMPANIES

Brazilian	151,440
French	83,582
Italian	75,857
British	66.373
Dutch	25,528
Swedish	9 187
Spanish	8,631
Norwegian	3,037
Overseas	423,635
Coastâise	11,395
Total	435,030

PERNAMBUCO MARKET REPORT.

Sugar. Entries get smaller and smaller. During the week to 8th inst., they have been only 1,652 bags, compared with 5,851 bags same date last year and quality generally is very poor owing to heavy rains. Although official quotations in the market are the same dealers do not show the same desire to buy at them, but at the same time for any really good lots of dry sugar the price is easily obtained, but although there is again a slacker enquiry from the home markets, dealers do not make any change in their prices for the bagged article, and the poor quality of the present small entries makes them firm in their ideas, as anyone wanting to buy naturally desires good quality and this can only be obtained from the dealers' stores and anything that goes out cannot now be replaced with satisfactory quality from the planters. To-day's quotations are as under:—

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

Weather still continues wet and there are complaints of damage to canes planted in the valleys, but any damage there will be made up by larger yield from the hill canes and so far the general opinion about the coming crop is that it should pan out 1,800,000 to 2,000,000 bags, the latter being more probable should weather be favourable, but should August prove wet the prospects might easily change for the worse.

Shipments during the week have been: Rio 2,245 bags, Santos 6,510 bags, and Rio Grande ports 9,652 bags.

Cotton. Entry to 8th has been 1,115 bags compared with 2,553 bags same date last year and market has continued very slack, with business done exceedingly small. On 7th a few bags were sold at 29$ and next day same buyer paid 30$, but got very little, and on 10th 32$ was paid for 40 bags ready stuff to complete sales at higher price; next day 20 bags more were sold at same price, exporters only offering 30$, but to-day they do not offer this any longer and only talk of 28$ to 29$, with nothing offered by sellers, though were there any ready stuff most probably 31$ could be still obtained from parties who have cotton to deliver up to end of present month. The quality of entries is now very poor and giving a large quantity of medium, which buyers do not want and refuse to accept more than 10 per cent. of this quality, which makes business even more hard to put through.

Shipments during the week have been: Rio 632 bags, Santos 399 bags, Rio Grande 100 bags, Bahia 33 pressed bales and Victoria 20 bags.

Coffee quotation is unaltered at 8$500 to 9$500, but there is no business doing, as sellers refuse to submit to these prices so far.

Cereals. There is a fair business doing, but even so prices are on the downward track. Milho is quoted 7$ per bag of 60 kilos imported lots, and 7$ to 7$500 for home grown, of which entry last month was 650 bags. Beans are also weak at 13$ to 14$ per bag of 60 kilos home grown, of which entry last month was 858 bags; for imported lots the price is 9$ to 12$ according to quality. Farinha, the entry last month was 11,395 bags and its value to-day 17$ to 28$ per bag of 100 kilos according to quality, whilst imported lots from Porto Alegre are worth 9$500 to 10$ per bag of 50 kilos.

Exchange on 7th opened at 12 9-16d. for collections, banks later giving 12 5-8d. for business; 8th, same rates prevailed; 10th, collections at 12 5-8d., advancing later to 12 11-15d. and 12¾d., but closed easier at 12 11-16d.; 11th, collections at 12 11-16d., with 1-16d. better for money; 12th, opened at 12 11-16d. for collections, falling later to 12 5-8d. on news of easier market in Rio; this morning opened with collections at 12 5-8d. and so far nothing better is offered.

Railway News

THE LEOPOLDINA RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended.	Receipts for Week: Currency.	Exch.	Sterling.	Total from 1st Jan.
1916	15th. July	418:000$	12 23/32	£ 22,152	£ 584,454
1915	17th. July	483:000$	12 15/16	£ 25,037	£ 801,175
Increase....	—	—	—	£ 3.885	—
Decrease...	—	65:000$	7/32	—	£ 216,721

THE S. PAULO RAILWAY COMPANY.

ESTIMATED WEEKLY TRAFFIC RECEIPTS.

Year	Week Ended	Receipts for Week: Currency.	Exchange	Sterling	TOTAL from 1st January
1916	16th July	558:014$000	12 5/8	29,353-17-3	646,089-7-1
1915	18th July	656:830$100	12 13/16	729,056-13-0	729,035-13-2
Increase...	—	98:816$100	—	—	—
Decrease...	—	—	3/16	5,711-5-9	82,916-6-1

RUBBER

Weekly Cable. **Hard Fine closed on Saturday, 22nd, at London at 2s. 10d. per lb. unaltered and closed at Para at 4$800 per kilo or 300 reis up.**

Rubber Movement in May:—

Stock at Para and Manaos, 21 May, 1916.		1,010
Receipts during June		1,700
		2,710
Shipments: Europe 478 tons, U.S. 945		1,423
Stock, 30 June, 1916		1,287
Ditto, 31 May		1,010
Ditto, 30 April		1,428
Ditto, 31 March		2,483
In first hands		865
2nd hands—Brazilian & Portuguese.	195	
Enemy	65	
British and American	52	
Ex Ceara	114	422
		1,287

Of the stock in 1st hands, 200 tons, up-river fine, 60 tons island fine, 272 tons coarse and 343 Caucho ball.

SHIPPING

Engagements. Lamport and Holt report their passenger steamers going full from Argentina, with space here for only an odd thousand bags or so now and then. $1.10 offered for cargo boats, but nothing actually engaged and little in prospect. A new business in black beans seems to have sprung up, the s.s. Byron having taken 4,000 bags at $1.00 and 5 per cent. for New York.

—The following steamers are loading coffee for New York:—Rio Branco (Light and Power) was full at $1.00, but part of the cargo was transferred to the Rio Verde, put on the berth by same company at 80 cents. Cargo engaged for the Lloyd boat Tocantins, damaged by fire at Santos, has been transferred to the Tapajos of same company. The Commercio e Navegação boats Taquary and Corcovado and the s.s. Kronborg and Jungshoved will load coffee at Santos at $1.000, the laster first half August. Altogether some 500,000 bags are engaged for August as against 750,000 last year.

—Schmidt and Trost of Santos are said to be offering a Swedish steamer for New York at 50 cents in full. There is little enquiry for room here or at Santos.

The Japanese s.s. Tokio Maru, on the berth at Santos for New York, is reported to be accepting cargo from German firms.

The Mieset idea of putting on steamers between Santos and New York for transport of coal for the Central Railway and coffee on the return voyage has fallen through, shippers refusing to sign contracts and prefering the regular lines.

The Chargeurs Reunis report no coffee yet engaged per s.s. Bourgauville, leaving Santos in August and only 7,000 bags per s.s. Ango, leaving 7th August. Prospects of future business uncertain.

The Transportes Maritimes report 80,000 engaged for two steamers leaving in August for Marseilles. No change in freights for the present. Offers of 180 frs. per ton for Marseilles have been refused by the Johnson Line, as bunker coal is unobtainable at that port.

The Lloyd Brasileiro is asking $1.00 per bag, but seems to get little coffee.

The Danish s.s. Moskoy is loading here for Copenhagen.

Mr. Luiz Campos reports nothing doing for Scandinavia and little hope of improvement until the British and Swedish Governments come to terms.

A party of the name of Gerschen, supposed to haill from Rio Grande do Sul, is said to be offering steamers for the States.

The Royal Mail reports no movement whatever, excepting 500 bags engaged here for the s.s. Carnarvonshire, leaving at end of the month. The Carnarvonshire is now loading at Santos.

Wilsons, Sons and Co. report 1.500 tons of meat engaged for the s.s. Highland Watch for the Italian Government. No rate fixed yet. Two steamers are already at Santos, but nothing booked yet.

The Prince Line reports 7,500 bags coffee engaged for the s.s. Highland Prince for New York and New Orleans at $1.00 and 5 per cent.

—The slump in freight rates for wheat has relieved the situation to such a degree that there seems now no likelihood of a shortage of tonnage for coffee, even should the coffee and rubber crops prove as large as expected. Manganese shipments are being provided mostly by returning colliers and plenty of tonnage is available for monthly voyages over six months at $18 for coal and $15 return with manganese. Attempts are being made to arrange a contract for delivery of coal to the Central Railway with rturn cargoes of coffee at $1.20 per bag. But as freight rates seem more disposed to drop than to rise, it is doubtful if anything will come of it. Unless prices drop, the States will take very much less coffee this year, re-exports to Scandinavia being stopped. So far since May only 11,250 bags of coffee left for Scandinavia and the space that would otherwise have been used for Scandinavia is being diverted to other destinations and the pressure on tonnage relieved. In fact, it would seem that we have seen the worst of tonnage scarcity, though there is no knowing how any extraordinary demand for military purposes might aggravate it again.

THE FREIGHT MARKETS.

London. The feature of the freight market, says «Fairplay», of 8 June, has been a continued drop in rates in almost all directions, but more particularly in grain freights from U.S.

Buenos Aires. There is no doubt, says the «Times of Argentina», of 10 July, that a decided scarcity of tonnage exists, and as a result the freight market is gradually strengthening, despite the recent efforts of the British Government. Berth rates are very strong, but business far from brisk owing to lack of space offered and demand for Montevideo, where the boycott has at last been settled. Grain prices rose from 130s. to 140s.

The Brazilian market is a shade easier, under a slightly lower demand. The following may be considered current rates: B. A. to Florianopolis, $7; to San Francisco, Paranagua and Antonina ,$7.50 to $8; to Rio Grande and Pelotas, $8 to $8.50; to Rio de Janeiro. Santos and Porto Alegre, $9.50 to $10, with 50 cents extra for up-river loading.

—«The Times of Argentina», of 10 July, says:—There is no doubt that a decided scarcity of tonnage exists and as a result the freight market is gradually strengthening, despite the recent efforts of the British Government. Further Government intervention may prevent a rise in freights to 180s. as prevailed six weeks ago, but, unless something drastic is done, the probabilities are that we shall again see that level.

Buenos Aires. «The Times of Argentina», of 17 July says:—The freight market has been more active and rates of freight have consequently advanced. There seems to be a scarcity of tonnage for July-August loading and owners of neutral carriers have applied the screw. There is again a pressure on neutral steamers.

The Brazilian market is steady. We find that last week we quoted the Rio and Santos rates too high. They should have been $9, as we quote to day:—B. A. to Florianopolis, $7; to San Francisco, Paranagua and Antonina, $7.50 to $8; to Rio Grande and Pelotas, $8 to $8.50; to Rio de Janeiro, Santos and Porto Alegre, $9, with 50 cents extra for up-river loading.

—«Fairplay» of 22 June, says:—The feature of the market has been a drop in grain freights from the U.S. and Canada so severe as to constitute one of the most exceptional episodes in the freight market during the war. The collapse in the American grain business is bound to have far-reaching effects on the Argentine market. The drop in freights is, of course, a serious matter for those owners who in for steamers at enormously inflated prices. For Rio de Janeiro monthly voyages over 6 weeks commencing July are workable at $18 and if desired manganese on back to Philadelphia or Baltimore at about $15.

American. «Shipping Illustrated» of 24 June says:—The weakness of the market which became evident a few weeks ago has become further accentuated since the last report and rates are declining in almost every trade and particularly for prompt positions. The demand for tonnage has fallen off materially, orders are scarce and the decline in rates will probably continue until new crop cotton and grain shipments begin to move.

Coal. The following vessels sailed from Hampton Roads:—June 16, s.s. Panahgi Lykiardopulo (Greek), 4702, for Rio de Janeiro. From Newport News: June 12, schr, E. Starr Jones, Bahia; 16, Isabel B. Weley, schr, for Santos.

—«The present position of the freight and charter market is absolutely unique,» a man well versed in shipping remarked to the writer. «We all know that rates to the United Kingdom and to French and other ports are off, because of Government action as well as because of a seasonal slump in freight to go forward. From the Far East there is little demand, so rates are naturally lower there. But when the rest of the market is so demoralised, why should rates to South America be strong? And it isn't only to South America that they are maintained. The demand for tonnage, particularly neutral tonnage, appears to be of moderate proportions, but few transactions are closed because the owners will not come down to the offers made. The trade is dull and there is little prospect that it will be anything else for some time to come.» The representative of an important shipping house expressed the opinion that the talk of declining rates was exaggerated. So far as his company was concerned they had not made any reductions nor had they experienced any difficulty in obtaining plenty of cargo. The ships of this line are engaged in South American trade. He could not explain why business should be better than elsewhere.—The New York «Journal of Commerce.»

—The schooner Lucinda Sutton, which put in Rio de Janeiro leaking, while on a voyage from Buenos Aires for New York, is so badly damaged that owing to the prohibitive cost of repairs she will be abandoned by the owners. The cargo of bones, etc., will probably be forwarded by another vessel. The hull of the schooner is practically uninsured. In view of the record of coasting schooners in ocean voyages since the war began they constitute very undesirable risks.

—The Danish s.s. Vinland, owned by the American Transatlantic Steamship Co., New York, has been sold to the Bergen Steamship Co., of Bergen, and will be put under Norwegian registry as the Vela. She will clear for New York to load for the Belgian Relief Committee. The Vinland was one of the vessels of the American Transatlantic Co. which were put on the British Black List, on the grounds that the company was backed by German interests. The Vinland put into Norfolk about seven months ago, after, it was reported, she had been chased by two British cruisers. A new master and crew have been put on the ship.

—A Chilean newspaper states that the German Government has authorised the Chilean Government to use three German vessels, now in Chilean waters, for coasting purposes. What is the status of these vessels according to international law? A German vessel taking refuge in a Chilean port, and interned there, we all know is free from capture by any off the Entente Powers so long as it remains in the port. Again, as the action of Portugal demonstrates, if the country in which a German vessel takes shelter makes war upon Germany, the Government of that country may seize German vessels interned in its ports and use them in its own services. But what is the exact standing of a German vessel interned in a neutral port if it ventures out of neutral waters and is not made the property, permanent or temporary, of the neutral Government? A German ship is interned in a Chilean port, and Chile remains neutral. She does not seize the German ship, nor does she buy it. But with the consent of the German Government she uses it in her own coasting trade. Is that ship free from British capture according to international law Or is its position defined, not by international law at all, but by the feeling that exists between an Entente belligerent and the Chilean Government? —«The Statist.»

Shipbuilding in the U.S. On 1st June 372 steel merchant vessels of 1,127,534 tons gross were building or under contract in American private yards. Additions to American registry during the fiscal year July, 1915, to May, 1916, due to construction in the U.S. and admission of foreign-built ships, amounted to 907 ships of 370,433 gross tonnage.

Life in a German Submarine. The following statement is given out by the British Government Press Bureau:—On May 1, while in the North Sea on a voyage from Norway, the captain of the Brazilian ship Rio Branco saw a Danish steamer being held up by a German submarine. Immediately the submarine sighted the Rio Branco she left the Danish vessel and approached the Rio Branco, ordered a boat to be lowered and the ship's papers brought. This was done by the mate and orders were then given by the submarine for all hands to leave the ship, as she was to be torpedoed. The mate of the Rio Branco took the opportunity of having a brief conversation with some of the crew of the submarine while alongside the latter in his boat. They told him that the life was a «hell» and the crew were mutinous, but were shot on the slightest pretext. They added «For God's sake when is this going to be over?»

VESSELS ARRIVING AT THE PORT OR RIO DE JANEIRO

During the week ending July 20th, 1916.

July 14.—P. DE SATRUSTEGUI, Spanish s.s, 2718 tons, from Bilhoa
14.—MEXICO, British s.s, 2994 tons, from Liverpool.
14.—ITAGIBA, Brazilian s.s, 1221 tons, from Recife
14.—MURTINHO, Brazilian s.s, 511 tons, from Paranagua
14.—JAVARY, Brazilian s.s, 793 tons, from Recife
14.—SATURNO, Brazilian s.s, 933 tons, from Montevideo
14.—ARIZONAN, American s.s, 5621 tons, from Bahia Blanca
14.—COTOVIA, British s.s, 2527 tons, from Bahia Blanca
14.—ANNA, Brazilian s.s, 364 tons, from Laguna
15.—ITAGIBA, Brazilian s.s, 659 tons, from Porto Alegre
15.—FIDELENSE, Brazilian s.s, 259 tons, from S. J. da Barra
15.—MOSKOV, Danish s.s, 1490 tons, from Copenhagen
15.—TREMEADOR, British s.s, 2335 tons, from Bahia Blanca
15.—MELROSE, American s.s, 3391 tons, from Norfolk
16.—TAITUBA, Brazilian s.s, 717 tons, from Aracaju
16.—MOLIERE, British ss., 4427 tons, from Montevideo
16.—P. KIARDOPULO, Grecian s.s, 2054 tons, from Norfolk
17.—BYRON, British s.s, 2526 tons, from Buenos Aires
17.—INCA, British s.s, 2322 tons, from Valparaiso
17.—CANOVA, British s.s, 2929 tons, from Glasgow
18.—CORCOVADO, Brazilian s.s, 1916 tons, from New York
18.—RIO VERDE, British s.s, 2579 tons, from Baltimore
18.—HOLLANDIA, Dutch s.s, 4603 tons, from Amsterdam
18.—AMAZON, British s.s, 6401 tons, from Buenos Aires
19.—TAPAJOZ, Brazilian s.s, 2442 tons, from New York
19.—SAN FRATERNO, British s.s, 6053 tons, from Tampico
19.—CENTO, British s.s, 3293 tons, from Buenos Aires
19.—POMONA, Argentine s.s, 648 tons, from Parana
19.—GOVEIA, Portuguese barque, 286 tons, from Santos
19.—URANO, Brazilian s.s, 141 tons, from Cabo Frio
19.—VERDI, British s.s, 4482 tons, from New York
19.—ITASSUCE, Brazilian s.s, 1175 tons, from Porto Alegre

VESSELS SAILING FROM THE PORT OF RIO DE JANEIRO.

During the week ending July 20th, 1916.

July 14.—MAYRINK, Brazilian s.s, 375 tons, for Laguna
14.—DARRO, British s.s, 7291 tons, for Buenos Aires
14.—MEXICO, British s.s, 2994 tons, from Callao
14.—P. DE SATRUSTEGUI, Spanish s.s, 2718 tons, from Bilboa
14.—INCA, British s.s, 2322 tons, for Liverpool.
14.—CAPIVARY, Brazilian s.s, 449 tons, for Porto Alegre
14.—FINLAND, Russian barque, 1599 tons, for Baltimore
15.—ITATINGA, Brazilian s.s, 1181 tons, for Recife
15.—TREMEDORE, British s.s, 2335 tons, for Teneriffe
15.—A. V. JOYEUSE, French s.s, 3688 tons, for Havre
15.—BRAGANCA, Brazilian s.s, 717 tons, for Montevideo
15.—TOCANTINS, Brazilian s.s, 2500 tons, for Santos
15.—PURUS, Brazilian s.s, 2495 tons, for New York
15.—JUANITA, Argentine s.s, 379 tons, for Paranagua
16.—ITAGIBA, Brazilian s.s, 1221 tons, for Porto Algere
16.—JELHON, Norwegian s.s, 7281 tons, for Baltimore
16.—MOLIERE, British s.s, 4427 tons, for Marseilles
16.—PIAUHY, Brazilian s.s, 644 tons, for Amarraçao
17.—CARANGOLA, Grazilian s.s, 258 tons, for S. J. da Barra
17.—COTOVIA, British s.s, 2527 tons, for Bahia Blanca
17.—SABINO BARROSO, Brazilian tug, 100 tons, for Santos
17.—SERGIPE, Brazilian s.s, 990 tons, for Santos
18.—IITAITUBA, Brazilian s.s, 717 tons, for Imbituba
18.—BYRON, British s.s, 2526 tons, for New York
18.—AMAZON, British s.s, 6301 tons, for Liverpool
18.—HOLLANDIA, Dutch s.s, 4603 tons, for Buenos Aires
19.—OYAAPOCH, Brazilian s.s, 793 tons, for Recife
19.—CENTO, British s.s, 2393 tons, for Bordeaux
19.—ANNA, Brazilian s.s, 364 tons, for Florianopolis
19.—VERDI, British s.s, 4482 tons, for Buenos Aires
19.—CEARA, Brazilian s.s, 2078 tons, for Manaos

VESSELS ARRIVING AT THE PORT OF SANTOS.

During the week ending July 20th, 1916.

July 13.—SATURNO, Brazilian s.s, 515 tons, from Montevideo
13.—URANO, Brazilian s.s, 192 tons, from Rio
13.—ANNA, Brazilian s.s, 247 tons, from Laguna
13.—RAPHAEL, British s.s, 2899 tons, from Manchester
13.—RABBIONE, Argentine s.s, 763 tons, for Buenos Aires
13.—MANTIQUEIRA, Brazilian s.s, 873 tons, from Amarracao
14.—MUCURY, Brazilian s.s, 585 tons, from Macau
14.—ITAUBA, Brazilian s.s, 825 tons, from Rio
14.—ITAJUBA, Brazilian s.s, 869 tons, from Porto Alegre
15.—DARRO, British s.s, 7291 tons, from Liverpool
15.—ANGO, French s.s, 4625 tons, from Bordeaux
15.—MEXICO, British s.s, 2994 tons, from Liverpool
15.—P. SATRUSTEGUI, Spanish s.s, 2718 tons, from Bilboa
15.—CIPAVARY, Brazilian s.s, 371 tons, from Recife
16.—HIGHLAND PRINCE, British s.s, 2197 tons, from Buenos Aires
16.—MAYRINK, Brazilian s.s, 234 tons, from RiRo
16.—TOCANTINS, Brazilian s.s, 2500 tons, from New York
17.—TOKIO MARU, Japanese s.s, 2115 tons, from Rio
17.—AMAZON, British s.s, 6300 tons, from Buenos Aires
17.—ITAJUBA, Brazilian s.s, 927 tons, from Pernambuco
18.—ITASSUCE, Brazilian s.s, 926 tons, from Porto Alegre
18.—SERGIPE, Brazilian s.s, 820 tons, from Rio
18.—EGEO, Brazilian yacht, 56 tons, from Tijucas
19.—SABINO BARROSO, Brazilian s.s, 150 tons, from Rio
19.—HOLLANDIA, Dutch s.s, 4053 tons, from Amsterdam
19.—MAROIM, Brazilian s.s, 779 tons, from Porto Alegre

VESSELS SAILING FROM THE PORT OF SANTOS.

During the week ending July 20th, 1916.

July 13.—ANNA, Brazilian s.s, 247 tons, for Rio
13.—ARIZONAN, American s.s, 6687 tons, for New York
13.—SATURNO, Brazilian s.s, 515 tons, for Rio
13.—INDEPENDENCIA, Argentine s.s, 618 tons, for Paranagua
14.—ITAUBA, Brazilian s.s, 825 tons, for Porto Alegre
14.—ITAJUBA, Brazilian s.s, 869 tons, for Rio
15.—P. SATRUSTEGUI, Spanish s.s, 2718 tons for Buenos Aires
15.—GOUVEIA, Portuguese barque, 286 tons, for Lisbon
15.—DARRO, British s.s, 7129 tons, for Buenos Aires
15.—MEXICO, British s.s, 2994 tons, for Callao
15.—PORVENIR, Argentine s.s, 662 tons, for Paranagua
15.—ANGO, French s.s, 4625 tons, for Buenos Aires
15.—CAPIVARY, Brazilian s.s, 371 tons, for Porto Alegre
16.—MAYRINK, Brazilian s.s, 234 tons, for Laguna
17.—URANO, Brazilian s.s, 192 tons, for Rio
17.—MANTIQUERA, Brazilian s.s, 873 tons, for Buenos Aires
17.—AMAZON, British s.s, 6300 tons, for Liverpool
17.—ITAJUBA, Brazilian s.s, 927 tons, for Porto Alegre
18.—ITASSUCE, Brazilian s.s, 926 tons, for Pernambuco
19.—SERGIPE, Brazilian s.s, 820 tons, for Rio
19.—HOLLANDIA, Dutch s.s, 4603 tons, for Buenos Aires

The Week's Official War News

The following official communiqué has be n received by His Majesty's Minister from the Foreign Office:

London, July 15th, 1916.

All continues to go well on the British front and at one point we forced the enemy back to his third scheme of defence, more than four miles in the rear of his original front of trenches at Fricourt and Mametz. In the past 24 hours we have captured over 2,000 prisoners, including the regimental commander of the 3rd Guards Division, and the total number of prisoners taken by the British since the battle began now exceeds 10,000. Large quantities of war material have also fallen into our hands.

The following official communiqué has be n received by His Majesty's Minister from the Foreign Office:

London, 17th July, 1916.

Further important successes have been gained by our troops. North-west of Bazentin-le-Petit Wood we stormed and captured the German second line positions on a front of f1,500 yards. The large number of German dead in this sector bears evidence to the very heavy casualties which the enemy has suffered since our advance began. East of Longueval, we have still further widened the gap in the German second line by capturing the strongly defendedposition of Waterlot Farm, on our left flank. In Ovillers and La Boiselle, where there has been continuous hand to hand fighting since 7th July, we captured the remaining strongholds of the enemy, together with 2 officers and 124 guardsmen, who formed the remains of its brave garrison, the whole village being now in our hands. Captured documents show the very heavy casualties which the enemy has suffered in the recent fighting. In one instance the following phrase occurs: «The company is reduced to the strength of one officer and 12 men and these few are so totally exhausted that the men cannot be counted on.» Another company: «has completely lost its fighting value, the men left being so exhausted that they can no longer be employed in the fighting. If the heavy artillery fire continues, the company will soon be entirely exterminated. Relief for the company is urgently needed.» Another battallion: consists at the present time of 3 officers, 2 non-commissioned officers and 19 men.»

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

London, 20th July, 1916.

Pressure on all fronts off the Central Powers continues. In Picardy, following on the capture of the German first line trenches last week, the British having moved up heavy artillery, attacked the second line from Pozieres to Longueval. Two-thirds of fthe German second line was captured, but Pozieres holds out and fighting continues in Longueval. The Germans necessarily fight at much less advantage than when their first line, with its perfect system of deep dugouts was in their hands. The old idea which prevailed last year of carrying more than one line of defences by a single rush has long been abandoned by both sides in the west. The Allies have captured since July 1st, 27 towns and villages, 22,000 prisoners, 106 guns and some hundreds of machine guns.

Meanwhile the Russians have crossed the Stochod River, the last natural boundary east of Kovel. Hindenburg is held from the Pripet Marshes to Baltic by heavy artillery bombardment and local infantry attacks. On the Carpathian front the Austrians still hold the passes, but latest telegrams state that the river Dnester is rising and has swept away Austrian pontoons. Since the Russian offensive began, the Russians have captured 275,000 prisoners, 309 guns and 812 machine guns.

For the first time since the war began German military headquarters has issued a direct appeal to the German people for «faith in victory». The neutral European press regards the appeal as a sign that the simultaneous offensives on all fronts on the one hand and increased rigour of the blockade on the other, are felt by the German authorities to have shaken for the first time seriously German confidence. Meanwhile the meeting of English Trades Union leaders, representing three million British workers unanimously voted to postpone all public holidays till the end of the war, in order to maintain regular supplies of munitions for the army. The meeting enthusiastically sang «God Save the King.»

The following is a summary of the leading events of interest for the week drawn up by Mr. John Buchan and issued by the Press Bureau:—

London, 22 July, 1916.

Western Front.—By July 15th, the German second position had been carried on the front from Bazentin le Petit to Trones Wood and the enemy forced back to a chain of fortified woods and villages, representing his third system of defence. In the preceding 24 hours over 2,000 prisoners were taken, including the regimental commander of the 3rd Guard Division. On July 15th, there was heavy fighting all day, principally in the five mile sector between Poziers and the village off Guillemont, south-east of Longueval. East of Longueval, the whole of Delville Wood was captured and north of Bazentin a lodgment was affected in the German third line in the wood of Foureaux. Here mounted detachments of the Dragoon Guards and the Deccan Horse swept up the enemy. This is the first instance of the tactical use of British cavalry since trench warfare began. In the battle of Champagne, in September, 1915, a squadron of French Colonial Horse performed the same task. North of the sector British troops fought their way into the outskirts of Pozieres. The weather was bad but in spite of it, the British aeroplanes did invaluable work of destruction and reconnaissance.

On July 16 there was little beyond heavy bombardment on both sides. The advanced British post in the Wood of Foureaux was withdrawn. It had served the purpose of forming a screen behind which our troops consolidated their position in the old German second line.

On Monday, 17th, north-west of Bazentin le Petit Wood, 1,500 yards of the German second position were carried, while east of fLongueval the gap was widened by the capture of the strongly defended position of Waterlot Farm. At Ovillers, where we had been fighting continuously since July 7th, the last portion of the village was captured with 2 officers and 124 men of the Prussian Guard. Monday was again a day of incessant rain and in the afternoon the struggle died down.

To this date the British had taken some 11,000 prisoners, 5 8-inch and 3 6-inch howitzers, 4 6-inch guns, 5 other heavy guns, 37 field guns, 30 trench mortars and 66 machine guns.

On Tuesday, 18th, thick mist and heavy rain interfered with operations, the German line north of Ovillers was carried on a front of 100 yards in the evening. The enemy having received large reinforcements, began a serious cunter-attack with at least 13 battallions against Longueval and Delville Wood, preceded by a bombardment with gas and lachrymatory shells. The struggle raged all night and while the enemy failed at Waterlot Farm, he managed before evening to recapture part of Delville Wood and obtained a lodgment in the northern outskirts of Longueval. By Wednesday most of the ground lost was retaken by the British.

On Thursday morning, 20th, we recaptured further positions in Delville Wood and Longueval. Some new ground was won on a front of 100 yards north of the Longueval-Bazentin line and south of Thiepval a substantial advance was made by bombing parties at the Leipzig redoubt. It was clear that in the various counter-attacks the Germans incurred enormous losses, one regiment having lost 3,000 out of 3,500 men and one batallion losing 980 men out of 1.000. By the evening of Thursday, 20th, we had driven the enemy out of the wood of Fourneaux, the highest point in the neighbourhood. That night after intense bombardment with gas shells, the Germans, counter-attacking, rewon the northern portion of the wood. On Friday there was a lull and British aeroplanes, taking advantage of the fine weather, bombed many points of importance behind the enemy lines. Five German aeroplanes were destroyed at the expense of one British machine.

It is claimed in the German press that the present success is inferior to that won by the Germans at Verdun in the same space of time. It is worth pointing out that whatever test is taken, this view is false. The offensive in Picardy has been superior in every respect to the first weeks of German attack on Verdun. It was made against a stronger enemy on a wider front. ItI captured more ground more quickly; it took more prisoners and guns; its artillery preparation was more exact and effective, and it lost far fewer men. This comparison is with the first stage of the Verdun battle when the Germans were most successful.

East Africa.—The week in East Africa has shown a steady advance in various quarters. On July 18th General Smuts reported that German columns which had been trying to cut communications north of Handeni and on the northern railway had been driven coastwards down the Pangani river with heavy losses. In the west, on the shores of the Victoria Nyanza, the force under Brigadier General Sir C. Crewe took the town of Muanza on the night of July 14. The Germang arrison embarked on one of the lake steamers and fled southward pursued by our armed vessels. Muanza is the chief German port on the lake of Victoria. General Crewe's attack means that the German colony is now assaulted simultaneously from north, west, south-west and south.