

Rio de Janeiro, 9th. March, 1932

Dear Mr. Lobenhoffer,

Your various letters up to 4th. February, contents of which have had my best attention, have a delayed reply owing to pressure of local business and also owing to my absence from Rio, for a few weeks and to where I have returned since yesterday.

FINANCIAL SITUATION - There is no doubt about your financial situation, which as I was always sure was the best possible and which I have always put before Mr. Machado, who is well aware of it

Mr. PIO FLOREZ, OF MADRID - This gentleman called on us and I was sorry I could not give him the Agency of the Company because we are represented in the Argentine Republic, by Messrs. E. Pallavicini & Co., who furnishes us confirmed credit on Messrs J. Henry Schroeder & Co., London, for all transactions with Buenos Aires, Rosario, etc.

I told him I would do my best to get him a good Rio house, but it is very difficult as the principal firms are already represented there, and I would never recommend a firm I am not sure of it.

BANCO GERMANICO - This bank is very exacting and we have nothing to do with them, as the Banco do Brasil is now the only buyer of all export drafts in Brasil.

DOLLAR CREDIT - There is no necessity, I think, for you to arrange a dollar credit on Martins Bank Ltd., as we can draw on any Bank you may name, when closing a transaction.

ELIMINATION OF THE SURPLUS OF THE BRASIL CROPS - Your observations of the scheme have had our attention and I have noted the want of confidence in foreign markets as the prices have advanced so slowly.

I must however state the general impression here that the crops will not continue on an increase scale, but I must say very confidentially that I am inclined to believe you are right, and owing to the immense plantations, there are always new ones producing and the old plantations although not producing as much, always give a good or fair crop.

My personal estimate of the Brasil crops is the following:

São Paulo	11.500.000
Minas & Rio	4.000.000
Victoria	1.400.000
Bahia & Paraná	800.000
	<u>17.700.000</u> bags.

CONSIGNMENT - Mr. Machado is now working to send you a large consignment to Trieste about 8.000 Bags, of which I cannot give any details yet but up to do so shortly.

This matter must be kept strictly private.

With best regards,

I remain, Dear Mr. Lobenhoffer,

Yours very sincerely,