

HL/T

SCHOEBERLEIN & LOBENHOFFER,

TELEGRAMS: PELOPIDAS, FEN, LONDON.

TELEPHONE: N° 6321 ROYAL.

CODES:

BENTLEY'S.
A.B.C. 5TH EDITION.
LIEBERS.
PRIVATE.

*Market Buildings,
29. Mincing Lane,
London, E.C.3.*

17th. October 1929.

Mr. D. L., Lacombe,

RIO DE JANEIRO.

Dear Mr. Lacombe,

I wrote you last on the 2nd. inst.

We find it rather strange that the Cia Nacional did not answer our last bid of No. 6 for the "MARTHA WASHINGTON". It is true that the quantity was small, but in these times every shipper is prepared to execute occasional small lots, and the price was certainly very satisfactory. If no further freightroom on the "MARTHA WASHINGTON" was obtainable surely the Cia. Nacional could have made us a counter-offer? They might also have let us have the desired offers. This enquiry came from a very good quarter and given competitive prices we could have pulled the business off.

I mention this matter to you privately as we are not accustomed to be left without any reply to our cables.

The great decline of last week has certainly upset business very much and confidence is completely shattered. We all had the instinctive feeling that the present over-production and consequent accumulation of coffee in the Interior of Brazil would be bound to lead to a crisis, but this crisis was not

London, E.C. 17.10.29.

Leaf 2.

Mr. D. L. Lacombe, Rio de Janeiro

expected before the middle or second half of next year.

Nobody seems to know exactly the real cause of this sudden decline. We only know that the Defence Committee was in financial difficulties and that the Federal Government had to come to its assistance. It is stated that the Defence will be reorganised on different lines & that the Committee will no longer be allowed to intervene in the Terminal Markets as hitherto.

It is also stated that the Federal Government will issue additional paper money for advances to Planters against coffee delivered to the warehouses, but this would surely reflect on the exchange.

I can tell you that I have had a confidential chat with the Manager of the Bank of London & South America Ltd. who is none too optimistic about the exchange. He says the exchange cannot possibly go up but it may go down considerably.

For the present confidence is completely shattered, but this crisis should clear the air and bring us more favourable conditions, probably on a lower price basis, on which a larger and more regular business can again be done. Of late business has been very unpleasant and very risky.

I remain, dear Mr. Lacombe,

Yours very truly,

Schoeberlein Lobenoffer

Joachim Kuntz

Paula Comblanc Raspou

Jean Baptiste

Maurice Logeud

La Mieson Rothschild

Egon Erwin Kisch

82.65
12.188
37.99
24.19.0