

per Avon.s.s.

Rio de Janeiro, 23rd April 1923.

Dear Mr Lobenhoffer.

Your esteemed favor of February 21 duly came to hand but I have not yet replied to same, and I now will answer same.

Books.

I must thank you very much for the books sent to my brother and I come again to trouble you to hand the enclosed list to Mr Dexter and get him to forward the books contained in the list or all he can get now if possible or second hand.

Messrs Soares & Co.

Mr Soares is rather bullish for shipments up to July, as he fears that the arrivals of new crop will not be sufficient for the business done already, but I think myself that he exaggerates and that he is losing the opportunity of doing a good turnover.

You will have seen from our replies that he insists on having the option of shipping in August.

From the list of the Centro de Café, the spot price is well maintained and it is nothing like the price Piraeus is willing to pay for shipment within 30 days.

Business for June/September is more easier than April and May, but Mr Soares fears also that if the weather up country does keep fine, we may see arrivals of badly dried coffees and smaller receipts than expected.

From the district, where Mr Soares has his establishments we have not yet received any new coffee nor advice of any being sent to this market but some planters have ordered the despatch of new bags for forwarding their coffees.

As you have noticed we do not make firm offers, as Mr Soares is very nervous about the market, which oscillates so violently and he prefers to await orders, although I have explained him the great difficulty you have to obtain any order without a firm offer in hand and even counter offers I do my utmost to get him to cable and I prefer this than to let you without a reply, and wire even if price is high, so that you can shew buyers at what we will sell.

I have communicated the contents of your letter to Mr Soares and he stated that when the time comes he will do all he can to push business, but I think it will be difficult to get him to work steadily on a cheap level to do a large turnover, but you may depend on my doing the utmost to keep you well supplied with offers at reasonable prices.

Oscar Marques & Co.

This friend will soon be making you offers, as soon as you have received his letter with reference to the business, and he will work actively, as he likes the business and has facilities, which we have not got, having agents in a good many more places than we have and principally in Minas.

Albert Landsberg.

He has given up all idea of doing export business and the broker he had, has made losses that he has been cleaned out.

The fall in the option market has brought on large losses for several large speculators, who were very bullish and had made purchases at 33\$000 and 34\$000 for May and June, and did not turn round in time, and stuck to their purchases.

Valorisation.

I cabled you all I know about this operation and hope you will succeed in obtaining reliable information from your bankers or

other friends, as we find great difficulty in getting sound and reliable information. What we cabled was given out to us Mr Mello, a very intimate friend of Mr Numa Oliveira, delegate of the Brazilian Government in the Valorisation Committee.

Situation.

The political situation has not improved at all. The friends of the Government advise that the President's message on the opening of Congress on 3rd May will put the situation very clear, but I must say that there is not much confidence in the actual Government.

As regard the financial position, the tendency is for further decline in the exchange rates, the more so that there are reports that, owing to the constant fall in the exchange, the Minister of Finance will re-establish the exchange control and send fiscals to all the banks all over the country. In my opinion this is a big mistake and rates will go lower still. The principal buyer of bills is the Bank of Brazil for Government and Municipal remittances of interest, amortisation and other payments.

With best regards for Mr Schoeberlein & yourself,

I remain, Dear Mr Lobenhoffer,

Very sincerely yours.