

## Review of the Wool Market

**Messrs. Willans and Overbury's Annual Colonial Wool Report for the Period October, 1915, to October, 1916. The Course of the London Sales**

The close of the first year of the war proved conclusively that the world's production of wool could easily be absorbed by the requirements of those of the belligerent powers that had access to the sources of supply; during the second twelve months of hostilities a continuous expansion of those requirements raised values to a level much above any expectations based on the experiences of 1915, and has shown that notwithstanding the destruction, conversion, or enforced idleness of a considerable proportion of European textile machinery, there is no reason for raw material to accumulate owing to shortage of manufacturing plant.

With an almost unbroken rise in values, the record of one series being quickly exceeded by that of the next, and as the United Kingdom had the task of providing for the needs not only of its own forces but to a great extent for those of the Allied armies, the past year was one of great prosperity for all branches of the wool trade, but it must be remembered that, against the exceptional prices obtained by wool growers in Australia must be set the very heavy losses of stock sustained owing to the prolonged drought.

There has been no repetition of the congestion at the London Docks which was noticeable during the first year of the war; the arrangements made ensured efficient handling of arrivals, while the large additional warehouse accommodation provided by the Port of London Authority enables quantities, much in excess of those received this year, to be stored without difficulty. The Importers' Committee have again adopted the system of holding eight series of auctions during the calendar year instead of six as in pre-war times, and the experience of two years has shown that under prevailing conditions the financial interests of users are best served by an alteration which also facilitates the work of warehouse keepers and forwarding agencies.

The period under review has been characterized by a consistently active demand for the lessened quantity shipped for sale in the London market. The severe drought caused a great reduction in the production of good combing wool from Australia, and extensive buying on American account further diminished the quantity available for the direct use of this country and of the Allies, consequently before the close of the last year it was expected that supplies would be very limited, and values for all good combings would rule high. This expectation has been more than fulfilled. At the time when quotations for merinos reached their highest point, i.e., last month, the most superior wools were not represented and, with values being determined by urgent requirements of manufacturers rather than by the ordinary computation of the cost of tops, it is difficult to estimate what prices would have been paid for the highest grades, but between January and September the advance on good merinos amounted to 20 per cent. During the latter part of the year, scoured Victorian sold up to 4½%, Queensland to 4½%, while greasy Queenslands brought 2½, West Australian, 2½, Tasmanian, not the most superior, 2½, and Sydney greasies, originally purchased in Australia, realized handsome profits for shippers at a range of 2½ to 2½. Russian buying of superior scoureds has again been notable throughout the year.

A remarkable feature has been the extreme prices for those descriptions of faulty wools that prior to 1914 had been left almost exclusively to the Continental trade. For these the advance, commencing at the seventh (October-November) series of last year continued unchecked till March, when after a rather sharp reaction they again appreciated substantially at the third, fourth, and fifth series of the current year: there has been no appearance of the congestion at the carbonising establishments that was evident in the autumn of 1915. At the series recently concluded carbonising wool showed a decline of 7½-10 per cent., a fall which in view of the high level previously reached, is not surprising at the commencement of a new season.

Crossbreds and slipes were the first wools to move upwards when hostilities broke out, and reached what may be termed "war prices" much earlier than merinos: consequently the advance, as compared with values ruling a year ago, although considerable on the finest grades, is less sensational generally

than in the case of merino qualities. When supplies overseas were most abundant the Home trade had to compete with American buyers executing exceptionally large orders, with the result that prices were forced upward, and at the London December auctions the limited and miscellaneous offering of greasy crossbreds catalogued sold at prices constituting a record, which at the first sales of the current year, when an unusually small amount of new clip from New Zealand had arrived, was followed by a further advance of 7½ per cent. January and February marked the highest level for the best slipes and for greasy medium and coarse qualities, the finest greasy halfbreds, however, reached their highest point at the last (September) series. The action of the Government in taking over the Domestic clip caused much speculative comment and slightly affected competition at the July auctions, but subsequently buyers of Home wools being deprived of the usual amount, supplied the deficiency with New Zealand crossbreds which benefited accordingly.

The quantity actually sold in London amounted to 734,000 bales, of which it is estimated that 71,000 bales were destined for the Continent and 18,000 bales for America, leaving 645,000 bales for the Home Trade. In the previous season the figures were 955,000 bales sold, of which 62,000 bales were purchased on Continental account, 60,000 bales for America, and 833,000 bales for the Home Trade.

The total clip (for export) from Australia is returned as 1,484,000 bales, and from New Zealand as 510,656 bales. These totals compare with 1,775,000 and 562,014 bales respectively for the previous season, showing a decrease from the Commonwealth of 291,000 bales and from the Dominion of 51,358 bales.

The war has unfortunately already lasted long enough to familiarize us with a change in the usual influences affecting all kinds of business. With the greater part of the civilized world at war, industries are prosperous or stagnant according to their degree of ability to supply military requirements. It has been estimated that the soldier uses up three times as much woolen goods of all descriptions as does the civilian, and since in modern times an army at war is a nation at war, the fact that the armies of the belligerent powers have first call on the available wool production (the enemy is now practically confined to his respective domestic supplies) explains and should warrant the continuance of unprecedented consumption and extreme prices as long as the war goes on. It is at the same time obvious that the recognised priority of military exigencies has deprived many millions (who owing to sex or age are not included among the combatant forces) of much of the proportion of woolen goods that is normally their share, and, since the second year of the war has shown the prosperity and consequent spending power of all neutral countries to have greatly increased, a vast reserve of buying power is accumulating, ready to make itself felt when the military situation permits; while on demobilization, partial at first though this may be, the clothing trade will be kept busy in supplying the wants of soldiers returning to civil life. In the more immediate future, owing to the effect of shortage of tonnage and labour, the tendency of users, already apparent during the past twelve months, to restrict operations to actual needs may be expected to continue, and wool on the spot, that can quickly be transferred to manufacturers, again to hold a most favourable position.

### LONDON WOOL SALES.

The seventh series of colonial wool sales closed in London on November 10th. The market closed strong, averaging 10 per cent advance over the previous sales. Shafly merinos and medium and low scoureds advanced 15 per cent.

The auctions were notable for several record prices, 4s 5d for scoured merinos, 2s 9½d for greasy merinos and 2s 10½d for slipes. The advance was due to large Government orders and the small supply of raw material. During the series the home trade bought 55,000 bales and France and Russia 6,000 while 8,000 were held over.

### THE WEEK'S CHEESE SALES.

St. Paschal, Que., Nov. 7.—250 boxes at 21 31-32c.  
Stirling, Ont., Nov. 7.—400 boxes at 22½c.  
Peterboro, Ont., Nov. 8.—1,806 boxes colored at 23c. The last sale of season.  
Brockville, Ont., Nov. 9.—1,568 boxes at which only 171 boxes sold on the board at 23c.  
Kingston, Ont., Nov. 9.—30 boxes white and 509 colored at 23½c.  
Cornwall, Ont., Nov. 10.—1,090 boxes at 23½c.  
Perth, Ont., Nov. 10.—800 boxes at 23½c.  
Iroquois, Ont., Nov. 10.—387 boxes colored and 25 boxes white at 23c.  
Napawee, Ont., Nov. 10.—375 boxes at 23 5-16c.  
Picton, Ont., Nov. 10.—848 boxes colored at 23½c.  
St. Hyacinthe, No. 11.—500 boxes at 23½c.  
Mont Joli, Que., Nov. 11.—160 boxes at 22½c.  
Belleville, Ont., Nov. 11.—813 boxes white at 23½c.

### Montreal Auction Sales.

At the Quebec Agricultural Co-operative Society sale, held at the Montreal Board of Trade on November 6th, the offerings were 911 packages creamery butter, of which 492 packages of finest sold at 42½c, 215 packages fine at 41½c, and 204 packages pasteurized at 42½c.

On November 8th the offerings were 1,427 boxes of cheese, of which 1,038 boxes No. 1 white sold at 23 1-16c, and 389 boxes No. 2 white at 22 13-16c.

On November 9th 1,307 boxes No. white at 23½c; 366 boxes No. 2 white at 23 1-16c; and 424 No. 1 colored at 23½c.

### DRUGS AND CHEMICALS.

A good trade is reported in all lines of drugs and chemicals, characterized chiefly by short supplies in many lines. Iodides show a tendency to decrease in price. Prices quoted by Montreal wholesalers' to the retail trade follow:

<b>Acetone</b> Acetone, per lb. .... 65c	<b>Cream Tartar</b> Crystals, per lb. .... 45c Powdered, per lb. .... 49c
<b>Alum</b> Lump, per lb. .... 11c Powdered, per lb. .... 13c Burnt, per lb. .... 25c	<b>Epsom Salts</b> Bags, per lb. .... 4½c Barrels, per lb. .... 4½c
<b>Alumina Sulph</b> Technical, per lb. .... 35c Iron free, per lb. .... 50c	<b>Iodides</b> Potass. .... \$5.50 Soda .... \$6.00 Mercury .... \$6.35
<b>Ammonia Aqua</b> Fort, per lb. .... 15c	<b>Peroxide of Hydrogen</b> Dozen. ¼-lb. bottle \$1.25-\$1.50 ½-lb. bottle \$2.00-\$2.50 1-lb. bottle \$3.50-\$4.00
<b>Ammonia Carb</b> Per lb. .... 25c	<b>Potash</b> Bicarb, p. lb. .... \$2.20-\$2.35 Bichrome, per lb. .... 60c Permanganate, p. lb. \$3.00 Carbonate, p. lb. \$1.75 Chlorate, per lb. .... 65c Caustic, per lb. .... \$1.85
<b>Antimony</b> Oxide, per lb. .... \$1.00 Sulph pld., per lb. .... 35c	<b>Sal Ammoniac</b> Lump .... 25c Gran. white .... 15c
<b>Arsenic</b> White, per lb. .... 12c	<b>Saltpetre</b> Crystals, per lb. .... 30c Granular, per lb. .... 30c
<b>Arsenic of Lead</b> Paste, per lb. .... 18c Powdered, per lb. .... 20c	<b>Soda</b> Bicarb, per lb. .... 4½c Caustic, stick .... 50.60 Bichrom, per lb. .... 60c Benzoate, per lb. \$13.50 Acetate, per lb. .... 35c Nitrate, per lb. .... 25c Phosphate Gran. lb. tins, doz. .... \$2.00 Sal, per lb. .... 3½c
<b>Barium</b> Chloride, per lb. .... 55c Nitrate, per lb. .... 80c Blue Vitrol, per lb. 25c	<b>Sugar of Lead</b> White, per lb. .... 29c Sulphur
<b>Borax</b> Pld., bbl., per lb. .... 11c Crystals, bags, lb. 11½c Crystals, bbl., lb. 10½c	Flour, per lb. .... 3c Sub. .... 3½c Roll .... 3½c
<b>Calcium</b> Peroxide .... \$2.65 Sulphate .... 50c	
<b>Chloride of Lime</b> Drums, per lb. .... 8c Barrels, per lb. .... 10c Cases, of 1-lb. Tins. 13c ½-lb. Tins. .... 14c ¼-lb. Tins. .... 15c	
<b>Camphor</b> per lb. .... \$1.00	
<b>Cobalt</b> Metal, oz. .... 60c Oxide, lb. .... \$2.75 Sulphate .... \$1.40	

### RECEIPTS OF BUTTER, CHEESE AND EGGS.

The following table shows the receipts of butter, cheese and eggs in Montreal for the week ended November 11th, 1916, with comparisons:

	Butter, pkgs.	Cheese, boxes.	Eggs, cases.
Week ended Nov. 11, 1916	10,394	59,078	42,046
Week ended Nov. 4, 1916	9,858	64,052	27,505
Week ended Nov. 13, 1915	8,858	44,693	20,840
Total receipts May 1st to date, season 1916	456,830	2,089,102	538,646
Total receipts May 1st to date, season 1915	364,984	1,872,011	465,585