

of it turning musty. Meantime let our buyers use discrimination in their purchases and keep the different qualities apart.

FINANCIAL SUMMARY.

The following is the official return of the banks of Ontario and Quebec for October last:

	Sept. 30, '76.	Oct. 31, '76.
Capital authorized ..\$	68,966,666	68,966,666
Capital paid up	61,725,264	61,967,716

LIABILITIES.

Circulation	19,658,442	22,077,211
Government deposits.	8,762,938	8,887,556
Public deposits on demand	33,470,087	34,225,049
Public deposits at notice.....	24,801,105	25,424,596
Due other banks in Canada	1,460,713	1,666,036
Due banks not in Canada	2,884,691	2,687,366
Sundries	85,808	82,039
	\$91,123,784	\$95,049,853

ASSETS.

Specie and Dominion Notes.....	14,023,183	13,725,074
Notes and cheques of other Banks	3,905,171	4,243,540
Due from other Banks	2,768,426	3,540,554
Due from banks not in Canada	7,463,307	8,724,424
Available assets..\$	28,160,087	\$30,233,492
Government stock ..	1,162,262	1,162,262
Loans to Government	168,524	155,298
Loans to corporations	3,741,950	4,843,561
Discounts current ..	123,324,629	124,156,875
Notes overdue.....	5,710,663	5,769,978
Real estate	956,455	883,047
Bank premises.....	2,985,106	2,999,150
Sundries	1,611,970	1,609,530
	\$167,881,646	\$171,813,193

The total circulations of Banks for last five years at the end of July and October.

	July 31.	Oct. 31.	Increase.
1871....	\$17,757,000	\$24,207,000	\$6,450,000
1872....	21,911,580	25,906,800	4,000,000
1873....	22,376,300	28,533,640	6,157,000
1874....	22,961,100	29,100,000	6,130,000
1875....	18,936,000	23,308,857	4,370,000
1876....	17,336,000	22,077,211	4,740,000

The increase of circulation is a pretty certain index of the activity of the fall movement of produce when the relative price is taken into consideration. Of course, when grain is ten or twenty cents higher on an average through the fall, it will tell on the total circulation. Prices, however, were about the same last year as this. It is, therefore, remarkable to see that the circulation expanded more this year than it did last. There was, however, a disturbing element in the general derangement of business which would tend to drive notes in much faster than ordinary last year. The volume of business was undoubtedly as great, if not greater.

Money has been in fair demand during the month, but the supply is ample. It is

not overflowing, as it was some time ago, and rates have somewhat stiffened. But all legitimate wants are readily supplied at 7 to 8 per cent. The produce trade has been very active, as the above circulation returns show, and there has been a livelier movement in general trade.

Navigation is still open, but practically it may be considered closed. The last vessels are leaving Montreal, and in another week all the export trade must take the Portland route. The Erie canal is also open, but it is dangerous to risk shipments on it, as experience has proved that after the 20th of this month open weather all through can never be depended on. The quantity of barley on canal on 17th was 636,000 bushels, mostly from Canada. Most of this will, doubtless, get through.

The quantity shipped from Canada to Oswego shows a heavy decrease as compared with last year, viz: to 18th, but 2,680,000 bushels, as compared with 3,350,000. We have, however, far more in stock at this point than we had last year, viz: 537,000 as compared with 181,000. It is probable that other lake ports have also more in store than they had last year. If we allow 100,000 bushels for the probable excess, we shall find that the quantity bought from farmers and handled by our dealers falls little short of last year. Thus:

	BUSHEL.
Decreased shipments to Oswego	670,000
Increase in store at Toronto, and other lake ports	450,000
Net decrease	220,000

This is not a large decrease compared with the total, and shows our barley crop to have been a good one in spite of all the complaining indulged in. We have no accurate returns of the quantity shipped westward, but it is likely to be fully as large as last year. Most of it goes to regular consumers, and the difficulty in Oswego about weights would rather tend to divert shipments westward for a time. It is interesting to compare the shipments of barley for a series of years. They are as follows, so far as Oswego is concerned, say from 1st Sept. to middle of November in each year:

	BUSHEL.
1870	2,718,000
1871	2,594,000
1872	2,382,000
1873	1,878,000
1874	2,427,000
1875	3,352,000
1876	2,683,000

But to the last should be added the increased quantity in store here, viz: 450,000 bushels, as stated. Even apart from this, however, the quantity is more than an average, having only once been exceeded, and that only by a few bushels.

These shipments of barley are referred to here at length, as at this time of the year they furnish a key to the whole financial position of the Province of Ontario at all events. Barley is always shipped at once and paid for at once. It brings back large supplies of gold, which flows into the banks and makes money easy even in tight times. Last year it saved the country beyond doubt from a financial crisis: for, bad as times were, they would have been far worse—that is, there would have been a regular panic had not such large supplies of gold been poured into the country in payment for this staple.

Our shipments of grain via Montreal are not to be relied on as showing the productive powers of the country, from the fact that so large a portion of it is purchased in the Western States and merely passes through Montreal in transit. It would answer little purpose, therefore, to quote figures. Such shipments have only a remote bearing on our financial position. It is otherwise, however, with shipments of butter and cheese. These are our own products, and the money received from them is returned to the producer or merchant in payment for outlays which have often been long in progress. The shipments of butter this year are in excess of last, viz., 167,000 kegs: against 128,000 last year. It is deeply to be regretted that by bad management we lose so much of what might be made out of such a valuable export. Each keg contains on an average 80 pounds, making a total of 13,000,000 pounds shipped. A loss of ten cents a pound, therefore, amounts to the immense sum of \$1,300,000. This is surely a serious business, and ought to open the eyes of producers, upon whom every dollar of this loss falls.

Cheese, we are glad to say, is different. We now make and export a really good article, which is becoming appreciated in the English market, and fetches a good price. There has recently been a heavy rise in the Liverpool market, making, with previous advances, nearly ten shillings per cwt. from the prices current some time ago. There is reason to believe that a considerable part of the benefits of the last advances will be realized by Canadian dealers and producers. The total shipments of cheese from Montreal to Nov. 15th were 459,000 boxes, against 490,000 last year. The value of this would be about \$2,500,000. A rise of ten shillings per cwt. would be equivalent to some \$450,000, of which Canada would probably realize at least half.

Taken altogether, the exports of the country are probably not much short of last year. But so far as the crop of grain is concerned, it is said that a far larger por-