

ANNUAL CIRCULAR.

We have again in the pleasure of laying before the Trade our Annual Statements of Supply and Export for the past season, as well as the Stock of Timber, Deals, &c., now wintering, together with the Annual Comparative Statements, Prices Current, &c., &c. The arrivals from Sea of sailing vessels have exceeded last year by 55,297 tons, Ocean Steamers being also 8,947 tons in excess. The winter of 1876 to 1877 was on the whole as favorable for the production of Timber as the preceding one; although the total supply falls a little short of the previous year, it has been excessive and prejudicial to the Manufacturer's interests. The Export has been heavy, causing a glut in the Timber Markets of Great Britain, as well as a fall in prices there. The Stock wintering will be found slightly heavier as a whole than last year, and all things considered greater than could have been desired. A much larger proportion than usual remains in first hands, which will no doubt tend to curtail this winter's operations more than any other cause.

Notwithstanding the numerous and early arrivals from Sea, the market opened without the slightest animation and few transactions of any extent took place until the latter part of July. From that time until the commencement of October, a considerable quantity of timber changed hands, but there never existed that brisk demand which we have witnessed in former years, and closing transactions showed in many instances a decline in prices.

WHITE PINE—SQUAM.—The supply has been the largest since 1871, if we except 1876 which exceeded the present year by 1,144,768 feet. The production of choice and superior wood (which is becoming most difficult to procure) has not been in any way proportionate to the increase during the past two seasons, the excess being made up of common, small and inferior, which is unsuitable for present requirements and forms a large portion of the stock wintering. The export has been heavy, and the demand chiefly limited to first class and good fair average wood, which has been in steady request during the entire season.

We hear from all quarters that the Manufacturers have curtailed operations, and the estimated supply shows a considerable reduction on last year's operations. We think however it would be wise to diminish still further the proposed supply. We regret that we cannot write more encouragingly about this wood in which so many of our friends are interested, but with present prospects and in the face of heavy stocks here, and in the Home markets it would be imprudent to do so.

WHITE PINE-WANEY.—Choice and well manufactured lots have been easily placed all season, especially Western and Michigan wood. There is an impression that a full supply will be produced, but much depends on the winter which so far has not been favorable for timber makers in the West.

RED PINE.—The receipts have been moderate, the export large, and the stock wintering lighter than it has been since 1872, composed in a great measure of small and inferior wood, which is very difficult to place. Large and fresh timber is in fair request, especially if well made and of good quality.

OAK.—With the supply of 1,351,896 feet over the quantity measured in 1876 this wood has not been much sought after, and prices have declined in consequence. The export has been heavy and tho' the early consignments to Liverpool, Clyde and elsewhere met with ready sale at comparatively fair prices, later shipments have not proved so profitable. The season so far has been very unfavorable for the Manufacturer, owing to constant rains and it is estimated the supply will fall far short of past years; the low prices which have ruled here for some months, making it less an object to rush on operations than hitherto.

	Supply.	Export.	Stock.
1877.....	3,997,555	3,532,200	2,198,055
1878.....	2,505,729	3,213,320	2,413,187

ASH.—With a moderate supply, the market is slightly firmer for large wood of good quality; the quantity wintering in eludes a portion of the old and inferior stock unsuitable for shipment.

BIRCH.---The production has been limited, and the stock on hand light, owing to an average shipment.

TAMARAC.—Large square and flattened have been in fair request this autumn, but the demand is not what it formerly was on our builders turned out from forty to fifty ships during the season. The export is almost nil.

STAVES.—**Pipe.**—The supply has been under the average, and the stock now on hand is a moderate one. There has been a difficulty in effecting sales except at low prices, and as far as we can learn a light production will be the result.

STAVES.—PUNCEON.—With a production under the average and large shipments the quantity wintering is under that of past years; and with low prices offering the supply is likely to be a moderate one.

DEALS.—Par.—The supply has been an average one, and the stock wintering is ample for all early requirements. With a better feeling in the Lumber Markets of the United States, it is probable that the supply from that country next season will be curtailed, nevertheless there is nothing in the trade to warrant an average production in Canada. The export this season shows a slight falling off from last year, yet the stocks in Great Britain are heavy, and the consumption there will to some extent be supplied by imports from the United States this winter. The stock wintering is largely composed of old sizes and 3rd quality deals. Our quotations for floated are nominal, as we hear of no recent transactions.

DEALS—Source:—Have been hard to move all season, the export has been nearly 40 per cent. in excess of 1876. Until higher prices rule in New Brunswick, our manna-tore of this article should be curtailed, and we would urge manufacturers to limit their operations to a minimum, as there is no encouragement to produce at present figures.

FREIGHTS—Opened to London, at 80s. to 81s. for Deals. To Liverpool, 35s. Hardwood, 27s. 6d. Pine, and 77s. 6d. for Deals. To Clyde, 28s. 6d. Closing at 35s. Oak and 30s. Pine to Liverpool, all Deals, 77s. 6d. London, 30s. and 77s. 6d. Clyde, 30s. Hardwood, and 28s. 6d. Pine.

Prices Current of TIMBER, DEALS, &c.

QUEBEC, 1st December, 1877.

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N. B.—Parties in England will bear in mind, that timber sold in the Raft subjects the purchaser to great expense in dressing, butting, and at times heavy loss for culls—if sold in shipping order, the expense of shipping only to be added.