

less it is kept at a low temperature, it will soon turn strong and rancid. I believe these are the causes which have mainly injured our reputation abroad. There is no doubt in my mind that, if we want to regain our reputation, we must adopt the factory system, which no doubt has been the means of establishing our reputation in the cheese markets. It is adapted to all classes of farmers, from those who keep a cow on the roadside to those largest proprietors, and when they have no conveniences for making butter in the hot weather, they can send their cream to the factory. According to the reports mentioned, the returns from the creamery are lower than those from the cheese factory, the season's product for 1885 bringing \$15.48 for butter alone, and \$22.11 where butter and cheese were combined, which makes the difference between the two systems very small, only \$1.91 per cow in favor of the cheese factory.

Commercial.

(FARMER'S ADVOCATE OFFICE,
London, Ont., July 1, 1887.)

With fine growing showers and warm weather the crops are coming on finely, and promise well. Hay will not be a heavy crop, in fact, in some sections it is very little more than half a crop. On the whole, the crop prospects are good, and with fine, favorable weather the next month or six weeks, we will see another bountiful harvest secured.

WHEAT.

This article has been pretty badly tossed about the past month. On Tuesday, the 7th of June, wheat opened in Chicago at 92c. and fell to 73c., and on the following day to 69c., the latter price being the lowest point touched in that market since 1862, and a decline of 25½c. from the highest point this month. There has been no instance of such a break in wheat from a point below a dollar a bushel in any previous turn of affairs in speculative operations.

The supplies of the country, although now large in sight, are at a comparatively low point in the aggregate, and the accumulations in other countries have been depleted, so that with a prospect that admits of expectation of no larger a crop this year than last in this country, and probabilities favoring some reduction, with also an outlook from other countries implying no gain over an average year's production in the aggregate, the position certainly favors better prices than now prevail for wheat, with possibilities of a very decided advance in time, if there can be any means for grappling successfully or even partially so with the market wreckers. But it should not be overlooked that the commercial stocks of wheat are now large for this time in the year, and they may be available for hindering an advancing tendency.

The visible supply of wheat was decreased 894,000 bushels for the week, but shows 10,308,000 bushels more than a year ago. The exports from Atlantic ports were considerably reduced for the week, showing a total of 2,499,000 bushels, wheat and flour, against 3,498,000 as the average for four weeks previously. The receipts of wheat at primary markets aggregated 3,160,000 bushels, including some duplication, against 2,944,000 the preceding week. This large movement has probably reached an end for the present.

The feeling is that wheat is now low enough, but speculation for an advance has received very great discouragement, and confidence is lacking. The range of prices of cash wheat in Chicago in

recent years during the months mentioned has been as follows:

	June.	July.	Aug.	Sept.
1886...	70½@78	73¼@81	73¾@78½	72¼@70½
1885...	84½@90	85¼@90¼	78 @ 89	70¼@86½
1884...	83½@89½	79½@84½	76¼@83	73¼@79½
1883...	93½@113½	98¼@102½	99¼@103½	93 @99¼

It seems pretty clear that the present low range of prices for wheat cannot go on much longer. The fact is that wheat is now grown at a very small profit, if not at a loss, and no doubt that many farmers are dropping out of wheat, and more will follow. This must apply to the whole world. The millers, dealers and shippers of wheat will some day wake up to the fact that there is a serious falling off in the production, and that prices are unusually low.

The English grain crops are very backward, and a late and shortened harvest is expected. More genial weather has recently set in, which naturally gives a more cheerful view to the general outlook.

Reports by mail from France indicate that the season is particularly backward, having been wet and unusually cold, and the grain crops have suffered materially, so that there is much dissatisfaction at the general appearance of the crops. A small wheat crop and late harvest are now expected.

From Belgium mail advices report continued and excessive rains, with a turn to fine, warm weather, favorable for crops, the continuance of which was regarded as likely to secure a very good wheat crop. Sales of flour have recently materially improved, and accumulated stocks show a decrease.

Lat^{re} mail advices from Germany report unreasonably cold weather and an excess of rain; nevertheless, it is said growing crops are making satisfactory progress, and generally are promising. It is reported that "millers are beginning to believe at last in the stability of the steady advance, and buy more freely, although they can not yet obtain adequate prices for their flour."

Advices from Austria state that there has seldom been seen so cold and rainy a month of May as the past one. The grain harvest promise, however, is considered good, it being said that "if June should be warm the yield of the Hungarian grain lands will be greater than it has been for a long time." Serious floods have occurred in some districts of Hungary.

In Holland the month of May was unusually cool and wet.

LIVE STOCK.

Late cable advices report the cattle trade no better, with supplies still in excess of the demand. The following is the report as per Montreal Gazette:

Although there has been no further decline in the British cattle markets, trade has continued depressed and dragging, and our special cables of to-day's date fail to indicate an evidence of improvement; in point of fact, the feeling to-day was weak, with trade very unsatisfactory. Receipts from Canada and the United States have continued heavy, while supplies from other quarters have been fair, and all markets have been plentifully stocked. Demand at Liverpool, Glasgow and London to-day was very poor, with trade extremely slow. At Liverpool to-day prime Canadian steers were at 11c., good to choice grades at 10½c., poor to medium at 9½c., and inferior and bulls at 7c. @ 8½c. Following were the quotations in Liverpool for three years:

	1885. per lb., cents.	1886. per lb., cents.	1887. per lb., cents.
June 27	15	13	11
June 20	14½	13½	11
June 13	13½	13	12
June 6	14	14½	12½
May 30	14	14	12½
May 16	14	13	11½
May 9	15	11½	11½
April 25	12½	13	11
April 18	13	13	11½
April 11	13½	13	11

WOOL.

Montreal markets are reported as follows:

There is a moderate amount of business doing in Cape at 15c. to 18c., and in Australian at 16c. to 18c., but domestic pulled wools are hardly to be had at all, and fleece is scarce at 22c. to 24c. Toronto.—This market remains in much about the same condition as last week's. For round lots of fleece wool the current price is 22½ to 23c. Country holders are not selling readily yet. Receipts on farmers' market find purchasers at about the same figure. Factory men are buying fairly well of pulled wool in all descriptions and values are well maintained.

BUTTER.

The movement of butter the past ten days has been light, and with little change in prices which have recently prevailed. The outlook for ordinary dairy and store-packed butter is not very promising. While fine dairy, and especially creamery, may be good property, at present prices there is no inducement to buy ordinary butter to either hold or send forward to fill orders. All orders either written or cabled are for finest dairy or creamery, and no other; these commands are emphatic. The following are Montreal quotations on June the 28th:

	c.	c.
Creamery	18	@19
Townships	16	@17½
Morrisburg	14	@17
Brockville	14	@16½
Western	13	@14
Old Butter	8	@13

CHEESE.

The range of prices on the London cheese market on Saturday last, June the 25th, was a genuine surprise to many. Salesmen expected to go home without selling, or if they did sell, that they would have to take very low figures. Buyers declare they had positive orders not to pay more than 8½, and some said they had no orders at any price. Matters rested at this till about 4.30 o'clock, when some one made a break and paid 8½c. The effect of this was to set the whole crowd buying, and before train time (6 o'clock) some 8,200 had changed hands at 8½ to 8¾.

The Montreal Gazette treats the matter as follows:—

"The first cheese boom of the season has gained excellent headway, and already prices have made a considerable advance. Heavy buying has been indulged in all over the country, and many thousands of boxes have recently changed hands. Although the market is in an excited and feverish state, it is only the customary June boom, which even the simplest and smallest operator anticipated, which, however, has struck the market a week earlier than was deemed likely. It is true and generally admitted that June cheese is a favorite article on the other side, but June booms have failed before now, yet such cannot be considered a reason that this one should fail, even though it has commenced at 1½c. above that of last year. Whatever the result it is Montreal buyers who will have the credit of having risen up under the market, and some people have unkindly suggested that circumstances dictated the move. At the same time there are some who believe that the buying has been done on the strength of actual orders based on the idea that everybody will want more or less June cheese. The whole trade, however, is badly mixed up over the new departure, which in some quarters is viewed with satisfaction, in others with doubt, and in others again as only the premonitory splurge before another and a more severe break. Of course there is always the contingency of the weather, which may cut short the production, but so far the make has been heavy and it is, at any rate, a precarious thing to bet against the continuation of good weather. There can be no doubt that the course of the market last season, with its attendant profits, has begotten an important quantity of confidence, which may be a factor of some moment in determining the market, yet the present strength may proceed from ill-advised