

THE GRAIN MARKETS.

The grain trade is frankly puzzled. The situation is too critical to invite outside speculation, and consequently trading is confined to regular operators who are disposed to be timid and change their positions on the slightest provocation. In some quarters it is felt that an actual declaration of war by the United States would have a bearish effect, for the time being at least. On the other hand prices have strengthened at times on the supposition that active hostilities would result in a more active export demand and that shipping would be given adequate protection. It is already stated that the British Government has commandeered numerous South African line steamships, and is arranging to convoy cargoes of foodstuffs from United States ports to Europe. Meanwhile, however, the submarine menace has caused a halt in exports, and as many outgoing ships have cancelled their sailings congestion is becoming pronounced at the seaboard. Bradstreet's figures show that clearances for the past week were only about half of those of the corresponding week a year ago. Stoppage of shipments to neutral countries is almost complete and little or no new business with the Allied nations is reported.

It was predicted on Saturday that a decided improvement of railway conditions would be forthcoming. Meanwhile transportation difficulties caused by overtaxed facilities have proved a decidedly bearish factor. The freight congestion in the West has become so serious that business is being hampered by the inability to move wheat. Additional railroad embargoes have been declared on account of the heavy storms all over the country.

During the week the market has been a narrow one, easily influenced one way or the other. September delivery represents possible peace and probable plenty resulting from two crops. Future prices therefore have held steady. Chicago May option closed on February 5 at \$1.74, \$1.49 for July, and \$1.38½ for October. Compared with \$1.74½ for May on Saturday, February 10, and \$1.49½ for July, no appreciable change in values has taken place during the week. The grain markets are closed to-day (Monday) in the United States on account of the national holiday. Winnipeg prices closed a week ago at \$1.73½ for May, \$1.72½ for July and \$1.40½ for September, as compared with to-day's values as \$1.75 for May, \$1.72½ for July and \$1.41½ for October.

Values in oats were fortified by exports of purchases on the part of European buyers, and damage to the Southern winter oats crop. Corn receipts were light and Argentine news bullish.

The cash grain situation is as follows.

Grains:	per bushel.	
Spring Wheat Manitoba, No. 1	1.85½	
Do., No. 2	1.82½	
Do., No. 3	1.77½	
Do., No. 4	1.68½	
Winter Wheat Ontario, No. 2	1.70	1.72
Do., No. 3	1.68	1.70
Oats:		
No. 2 C. W.	0.72	0.73
Do., No. 3 C. W.	0.70	0.71
Do., Extra No. 1 feed	0.70	0.71
Do., No. 1 feed	0.69	0.70
Do., No. 2 feed	0.68	0.69
Ontario Oats, No. 2, white	0.62	0.64
Do., No. 3	0.61	0.63
Barley, No. 3 C. W. Ref.	1.00	1.00
Do., Feed	0.99	0.99
Corn, American, ex-track	1.26	

MONTREAL GRAIN STOCKS.

The following table shows the stocks of grain and flour in store in Montreal on the dates mentioned:

	Feb. 10, 1917.	Feb. 3, 1916.	Feb. 12, 1916.
Wheat, bush.	711,532	729,598	1,275,632
Corn, bush.	18,723	17,450	10,209
Peas, bush.	2,466	2,466	261
Oats, bush.	3,369,810	3,787,793	2,229,948
Barley, bush.	155,741	147,038	181,155
Rye, bush.	17,252	18,286	25,753
Buckwheat, bush.	4,752	4,570	5,262
Flour, sacks	35,038	44,729	58,116

RAILWAY EARNINGS.

The G. T. R. and C. P. R. railway earnings for the week ending February 7th are as follows:

	1917.	1916.	%
G. T. R.	\$ 928,462	\$ 937,937	99.9
C. P. R.	1,890	1,876,060	14,000

LIVE STOCK.

MONTREAL: Offerings of live stock at the two sales last week amounted to 1,150 cattle, 200 sheep, 1,900 hogs and 250 calves. As a result of the limited receipts of cattle and reports of firmness at other centres, the price of steers advanced at Montreal 25c a cwt. and cows and bulls went 50c to 75c higher. Choice steers were very scarce due, no doubt, to the fact that farmers have been rushing unfinished stock on to the market in order to meet the unabated demand from butchers and packers. A record was established when a few choice butchers' cows brought \$9 and bulls \$10. Sheep and lambs were also in light supply, and as the demand was good, prices rose 25c per 100 lbs. Calves were so scarce that the market went up \$1.00, and even at the higher level the demand exceeded the supply. The hog market was unchanged. Prices held firm under a steady demand for all offerings.

TORONTO: Receipts for the past week at the Toronto stock yards amounted to 5,445 cattle, 830 calves, 9,795 hogs and 1,022 sheep. A firm market is reported for good butcher cattle, with canners and cutters also steady. Medium quality cattle was weak, with prices declining 50c to 75c, making a total easing off of 75c to \$1 for the past fortnight. Good cattle on the contrary advanced 10c, 15c and more, in sympathy with the light supplies coming forward to meet the good demand from packers. Milkers and springers met a fair demand and prospects are that values will improve during the next few weeks. The strong undertone to the hog market is the outstanding feature in last week's live stock report. Values rose as high as \$14.90 on the fed and watered basis and \$15.10 weighed off cars. The f. o. b. price was quoted at \$13.50. The market closed strong at the end of the week at the new high level of prices. Prices of small meats were steady. A good demand is reported for choice veal calves. The run of sheep and lambs was lighter than for the preceding week.

Current prices in carload lots are as follows:

	Per cwt.			
	Montreal.		Toronto.	
Butcher steers, best	10.50	10.75	10.50	11.00
Do., good	10.00	10.25	9.75	10.25
Do., fair	9.50	9.75	9.50	10.25
Do., medium	8.50	8.75	8.75	9.25
Do., rough	8.00	8.25	7.75	8.25
Butchers' cows				
Choice	8.50	8.75	7.75	8.50
Do., good	8.00	8.25	6.75	7.50
Do., fair	7.50	7.75	6.00	6.50
Butcher bulls, best	9.50	9.75	7.50	9.00
Do., good	9.00	9.25	6.75	7.25
Do., medium	8.50	8.75	5.75	6.50
Canners' cattle, bulls	6.00	6.25	4.25	4.50
Do., Cows	5.25	5.50		
Light Ewes	9.50	9.75	10.00	10.50
Heavy Sheep	9.00	9.25	7.50	9.00
Culls	9.00	9.25	4.00	7.00
Lambs, Quebec	13.25	13.50		
Do., Ontario Stock	13.75	14.25	14.00	14.50
Calves, choice				
Milked	13.75	14.25	14.00	14.50
Do., hayfed	10.00	12.00	14.00	14.50
Hogs, select, weighed				
off cars	14.50	15.00	15.00	15.10
Do., heavy weights	14.15	14.40	14.75	14.85
Sows	12.75	13.00		12.25

NEW YORK FUR MARKET.

The auction sale of furs held in New York at the end of January is reported to be the most successful one conducted by the New York Fur Auction Sales Corporation thus far. The buyers present included the entire New York trade, as well as a large contingent from Canada, the various States of the Union and representatives of foreign houses. The bidding was active throughout the sale, with purchasers for all articles offered. Fisher skins sold 30 per cent higher than at the September sale, the small skins being in exceptional demand. Fox sold from 20 per cent to 40 per cent higher than September which indicates the popularity of this article. Comparatively high prices were realized for Kolinsky although the collection was considered poor. Bear skins brought full September prices, going for the most part to foreign buyers. Ermine went 25 per cent above autumn values although the best skins were missing from the sale. A rather stale collection of mink was sold at an advance of 15 per cent to 25 per cent. Fresh eastern skins, however, were in great demand and fetched fully 40 per cent above stale skins, of the same section. Raccoon, under spirited bidding, went up 15 to 20 per cent over the prices obtained at the last sale. Northern skunk also saw an increase of 20 per cent. The next sale will be held beginning March 26, and it is the intention of the company to provide a much larger offering.

RECORD FUR SALE AT ST. LOUIS.

Closely following the New York Fur Auction Sale the big Funsten International sale of raw furs was held in St. Louis at the beginning of the month. A very large number of furs were offered for which prices received established new high records in the trade. On the whole prices were 20% higher than in September last and bidding was extremely active. A collection of 450 sables foxes, of such high quality that they were sold either singly or matched in pairs, brought a total of over \$100,000. Lynx, which has been neglected for some years and has sold for very low figures, advanced at this sale in sympathy with red fox. Red fox would appear to be a leading article in the American market realizing tremendously high prices. Fisher is also fashionable and skunk was in good demand. Raccoons for ladies' coats sold 30 to 40% higher. These prices would seem warranted for this purpose, but for the manufacture of gentlemen's coats values are much too high. Muskrats for Hudson Seal were in demand. An effort will also be made to push ladies natural muskrat coats. Canadian and New York dealers were the largest buyers of mink. After a dull period of three or four years this fur is bringing good prices, although there is still very little demand for the paler sorts. A small lot of Russian Sables, 250 skins in all, fetched more than \$7,000, these going chiefly to New York and Paris.

It was expected by some that the large offerings of furs in this sale would result in a general weakening of prices but the prosperity both in this country and United States was mainly responsible for the easy consumption of all the goods offered. Owing to the difficulty of transportation the American market is practically bare of Russian, Siberian and Eastern skins which shortage can only be overcome by the substitution of American furs. It would, therefore, appear probable that the high prices realized will be maintained throughout this season.

NEW STANDARD FOR BRITISH FLOUR.

A further change has been made by the British Food Controller regarding the standard grade of flour to be milled and imported into the United Kingdom.

The order which went into effect on January 29, 1917, has been drafted so as to proceed on the percentage basis to which millers are accustomed to work, but its effect may be stated without reference to technicalities.

All flour milled from wheat must be straight-run flour and the miller is required to obtain a certain percentage, called the prescribed percentage. The percentage varies with the different qualities of wheat used, and the average percentage is 76. The miller is not, however, allowed to stop at the prescribed percentage, but is required to obtain five points beyond this. These further five points may be obtained either by milling the wheat to a higher percentage or by adding flour ground from rice, barley, maize, and oats, or any mixture of those grains, or in both these ways.

In addition, the miller has an option to add a further five points obtained in the same way. The effect of this option is practically that a sack of 280-lbs. of flour may contain, in addition to any compulsory admixture, about 17-lbs. of flour ground from rice, barley, maize, or oats.

As regards the Canadian export flour trade there has been practically no flour of the eighty-one per cent produced milled as yet, but a great many mills are at present turning out a seventy-six per cent product, or a regular low grade flour for export. The point of controversy in the milling question between the old country and Canada has arisen altogether over the prospect of the eighty-one per cent standard being forced upon all imports of flour into the British Isles. Dealers in this country feel that the British millers are urging such action on the part of the British Government because they themselves are obliged to manufacture on that basis. Furthermore there is the unfavorable discrimination against the Canadian miller in the matter of freight rates. The British miller can import wheat at a rate set by the Government at 40c per 100-lbs., whereas the Canadian miller must ship his finished product at a rate of 75c a 100-lbs. Finally there is the question of offal to be considered.

Broad bran was recently quoted at £15.17s. 6d. (\$76.95) per long ton in Liverpool and much higher prices are predicted for the near future. Compared with \$33 per short ton in Canada, the British miller has a decided advantage over his Canadian competitor. At the present time, however, export business in flour is at a standstill owing to lack of tonnage offering so that competition to any extent is impossible until the shipping situation is more favorable.