

up to the fact that we are out of sugar again, and shall again fall over each other to bull the price.

To a very large extent the recent sharp decline in prices is a big short-selling campaign carried on by the general public to "bear" the markets. Their way of short selling is to postpone purchases. Prices are falling—what's the use of buying now. If we wait a while, we can buy at pre-war prices. The war is dead—long live peace prices. We are going back to the dear old days of 1913—when we were even more dissatisfied than we are now.

Once the public is convinced that prices have stopped going down, normal buying will begin again—rather more than normal, in fact, for there will be some "back-up" demand.—*The Magazine of Wall Street.*

MANUFACTURING AND COMMERCE

In the motor, leather and clothing trades particularly, dulness still prevails, and in others it has been necessary to reduce the working staff. As a whole, however, the output of factories and mines is being maintained on a scale that compares favourably with that of pre-war years. Labour displaced by changes in urban centres is required for mining, lumber and agriculture. Pulp and paper plants are being enlarged and new ones are in course of construction; responsible mining corporations are taking practical steps to develop coal beds and oil areas; the growing and manufacturing of flax fibre is being extended, and in the chemical industry there is a notable expansion.

The first boat to call at Buenos Aires direct from a Canadian port, according to a Brazilian correspondent of this Bank, reached that port on 16th September last. This is an event worth noting in the expansion of our foreign trade and mercantile marine, and it is hoped that it will lead to a further development of commercial intercourse between Canada and Brazil. Under an arrangement with the Canadian Government Merchant Marine for a direct service to India and the Far East, the first sailing on this route took place from North Sydney, C.B., in November, and calls will be made at the chief ports on the way. During the winter season nine vessels of the Canadian Merchant Marine will sail from St. John and twenty-four from Halifax. In all there will be twelve distinct services, the principal of which are the London, Liverpool and West Indian.

—*Can. Bank of Commerce Monthly Letter.*

IMPROVING BRITISH TRADE BALANCE

The decreasing excess of imports in British foreign trade over total exports is perhaps the most encouraging post-armistice development in the English situation. Beginning in January, 1919, with an excess of imports amounting to about

£83,000,000, although there have been some fluctuations, this so-called unfavorable balance has shown a very satisfactory downward trend; until in October, 1920, it stands at about £21,000,000. According to the London "Economist," the invisible exports of England are now running about £50,000,000 per month or more. If this estimate is approximately accurate it would seem for some months past England's position with respect to foreign countries has been improving in a material way.

SUMMARY OF THE TRADE OF CANADA

IMPORTS FOR CONSUMPTION	Twelve months ending October		
	1918	1919	1920
	\$	\$	\$
Dutiable goods . . .	512,060,303	565,279,016	887,486,088
Free goods.	384,037,148	337,080,422	452,153,966
Total imports adve.	896,097,451	902,359,438	1,339,639,454
Duty collected. . . .	154,225,829	161,317,422	210,256,680
EXPORTS			
Canadian.	1,325,971,220	1,197,342,807	1,228,820,581
Foreign.	45,415,193	54,709,151	31,963,952
Total exports, adve.	1,371,386,423	1,252,051,958	1,263,784,533

CANADA'S PUBLIC DEBT

Canada's outstanding obligations, including not only the war loans and Victory loans issued in Canada, but also the various loans issued in the United States and London, are \$2,523,062,178. The following table indicates in detail the respective dates at which the Government's indebtedness reaches final maturity.

1921 \$ 40,000,000	1937 \$ 345,473,000
1922 194,867,100	1938 52,327,296
1923 194,881,800	1945 65,207,351
1924 105,289,550	1947 4,888,185
1925 43,310,600	
1926 25,000,000	\$2,244,276,132
1927 65,936,450	Serial
1928 2,000,000	1920-25 . . \$ 24,333,333
1929 60,000,000	1909-34 . . 23,467,206
1931 79,398,700	1930-50 . . 137,058,841
1933 483,081,250	1940-60 . . 93,926,666
1934 481,741,850	
1935 873,000	\$2,523,062,178

It will be seen that an appreciable part of Canada's indebtedness falls due at a relatively early period. Within five years, \$578,349,000 matures, \$429,748,900 of which comes due before the end of three years, for in 1922 and 1923 the five year bonds of our 1917 and 1918 Victory loans have to be paid off. As this may prove to be too heavy a burden on current revenue, it seems probable that further financing will be necessary.

—*Royal Bank Monthly Letter*