

As to the Far East we have taken special care to arrive at a fair estimate and give the following figures as approximately correct:—

	1904. Tons.	1905. Tons.
Asia	38,175	85,743
The two latter figures are compiled as follows:—		
	1904. Tons.	1905. Tons.
Japan's production (minus exports to Europe)	25,000	29,400
Australia's exports to Asiatic countries.	7,000	10,000
United States exports to Asiatic countries	4,675	43,343
Europe and other countries exports to Asiatic countries.....	1,500	3,000
	38,175	85,743

Electrolytic in Cents:	Jan.	Febr.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Average price
Lowest price	15.—	15.20	15.20	15.12½	15.—	15.—	15.—	15.45	16.22½	16.37½	16.50	17.07½	—
Highest price	15.20	15.20	15.20	15.20	15.—	15.—	15.17½	16.62½	16.59	16.50	17.75	18.75	—
Average price	15.15	15.20	15.20	15.18	15.—	15.—	15.11	15.87½	16.22½	16.50	16.84½	18.59	15.32.3
Above mentioned price for Electrolytic equiv in £													
per ton	69.14.7	69.18.5	69.18.5	69.16.7	69.—	69.—	69.10.1	73.—.6	74.12.7	75.18 —	77.9.9	85.10.3	72.15.9
Lake in Cents	15.25	15.32.5	15.32.6	15.27	15.—	15.—	15.11	15.87.5	16.22.5	16.50	16.57	18.59	15.89
Lake equiv. in £ per ton	70.5.9	70.9.10	70.9.10	70.4.10	69.—	69.—	69.10.1	73.—.6	74.12.7	75.18	77.12.—	85.10.3	72.19.5
Best Selected £ per ton	7.17 9¼	71.5.—	72.6.1¼	71.8.9	69.14.5¼	70.10.6¼	71.10.7¼	74.18.11	75.13.4	76.17.9¼	79.6.10¼	86.—	74.5.10
Standard £ per ton	68.8 7½	67.19.8¼	68.3.8	67.0.7¼	64.19.8	66.—3	66.17.8	70.—.11	69.16.6¼	71.18.3¼	74.17.10	79.—6¼	69.12.0¼

Recapitulating, we arrive at the following comparisons of consumption and production:—

	1904. Tons.	1905. Tons.
Germany, United Kingdom, France, United States	557,805	587,436
Austria, Russia, Italy	74,152	74,938
Other European countries	13,500	13,500
Asia	38,175	85,743
	683,632	752,617
Production	652,522	697,845

Excess consumption 31,110 54,772

In consequence of bad trade, there were at the end of 1901, large stocks of copper on hand; since then, however, stocks have been regularly diminishing. Of course, the large quantities of old copper which are always in existence add appreciably to the world's supply, and, as explained in former issues, renders the giving of exact figures impossible. The phenomenal Asiatic consumption of last year, is an event which is unique in the history of copper statistics.

Prices.—The copper trade of the world knows four principal grades and qualities of copper, viz., in the United States. Lake and Electrolytic-copper, in Europe: Best Selected and Standard copper. As "Standard copper" is known the staple article which is dealt in on the London Metal Exchange, and which fluctuating widely, serves as a plaything for speculators while the trade in the other grades mentioned is carried on in a quiet and steady manner merely for the purpose of supplying the legitimate wants of consumers. Owing to the continued decrease of supplies of so-called Standard copper as compared with the increasing trade in other grades, and in order to prevent a corner which might have been easily engineered with stocks down to 4,277 tons Dec. 31st, 1903, the London Metal Exchange has since 1904 adopted a rule permitting the delivery of the three trade qualities against Standard contract on a fair basis, viz., high conductivity copper assaying 99.80 per cent. and more, deliverable at a premium of £1.—, Tough, Best Selected and Casting copper grades assaying 99.30 and over, at a premium of 10s.—p. ton, material assaying 99—99.30 per cent., at par, if below 99 per cent., but minimum 96 per cent. at £1.10—discount. The discount of 2½ per cent. heretofore customary has been abolished.

Although deliveries of refined copper against Standard contracts are not frequent, we consider the rule adopted an excellent one and wholesome for the market, because it tends to lessen the dangers of a corner. The market for

Standard copper, subject to nervous fluctuations like every market made on an open exchange, remains, however, in spite of the above mentioned rule, too small to be considered a fair criterion for the price movement of the real copper used by consumers; stocks at the end of 1905, amounted only to 4,223 tons. Nevertheless everybody interested in copper all over the world looks at the quotations made twice daily on the London Metal Exchange and is influenced more or less by the ups and downs of this market, in his decision as to the course to pursue regarding purchase or sale of crude or refined copper. While this attitude is justifiable in a way, we wish to warn all parties interested not to place too much importance on the daily fluctuations and small variations of the London quotations, which, as a rule, do not foreshadow coming events, but are the outcome of speculative opinions.

We add comparative figures for the four principal grades of copper for 1905:—

	Jan.	Febr.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Average price
Lowest price	15.—	15.20	15.20	15.12½	15.—	15.—	15.—	15.45	16.22½	16.37½	16.50	17.07½	—
Highest price	15.20	15.20	15.20	15.20	15.—	15.—	15.17½	16.62½	16.59	16.50	17.75	18.75	—
Average price	15.15	15.20	15.20	15.18	15.—	15.—	15.11	15.87½	16.22½	16.50	16.84½	18.59	15.32.3

In our last year's statistics, we gave it as our firm opinion that the world's demand during the year 1905 would be very great, and that the phenomenal demand of Europe in particular would be sustained. We further stated that the United States of America would require 50 million pounds monthly, i.e., 300,000 short tons, in the course of the year and that the production, greatly increased as it was, would be entirely absorbed, especially in view of the expected far larger demand of Asia.

All this has come to pass; still further, the demand has greatly surpassed the production, for not only the European, but also the American stocks were almost exhausted at the end of 1905.

The English and French stocks sank from 10,009 tons at end of 1904, to 5,687 tons at end of 1905, and since then have fallen by a further 1,500 tons, whilst the American stocks fell from 79,094 tons to 56,762 tons during the same period.

This proves clearly that not only is the world's production which rose in this one year from 640,935 tons to 697,845 tons entirely exhausted, but also that consumers had to fall back upon the supplies, already so scanty at the end of 1904. It may, too, be mentioned that about two-thirds of the stocks of England and France consisted of the less valuable "Standard Copper," which is rather an article of speculation than a material which can be used by the majority of consumers.

We have explained that of the 56,762 tons, of which, according to our statistics, the American stocks exist; about 55,000 tons must be considered as an unavailable quantity, as this amount is withdrawn from use, being either in the course of refining or en route.

One must also take note of the fact that the Geological Survey in Washington fixed the supplies on 31st December, 1904, at only 119,215,597 lbs., or 53,221 tons, which is again a reduction of 25,000 tons as compared with our last year's estimate of 79,094 tons.

All these facts taken together afford absolute proof that at no time in the modern history of the copper market was there such a dearth of supplies and did copper consumers so strongly feel the consequences of a copper famine, as at the present time. In December, 1905, it was often not so much a question of price as an actual lack of material which consumers felt so keenly. Many works had to curtail the extent of their manufactures, it having been impossible to obtain sufficient raw material in time, although the mines and refineries sent off supplies, so to speak, hot from the oven. Contrary to all previous experience, consumers demanded delivery at the beginning of a month of copper, which, under contract, was due only in the course of that month. Producers