

# MARKETS, TRADE & COMMERCE

## SITUATION IN THE WOOL MARKET.

### Close of the Third Series of London Sales—How Canada Has Fared—Outlook for the Future.

Ever since the financial slump of last autumn, the world's wool trade has been in a parlous condition. Values have fallen steadily, until now the whole industry has become involved in a slump. Never before, it is said, had the present generation of woolmen met together at any series of sales under similar conditions to those that prevailed at the opening of the May sales. These closed on Tuesday last, and although prices improved towards the end, the result was to leave the market in no better position than before.

The trend of business during the interval between the October and the January sales was anything but satisfactory; hesitation and lack of confidence influenced the markets. The opening of the January auctions was nevertheless well attended. At the outset, the better shipments of merino wools realized very firm prices as compared with those of the November and December series, while inferior and faulty sorts fell from par to 5 per cent lower. Medium and coarse crossbreds closed at 10 per cent. cheaper.

#### Brokers Combine to Steady Prices.

Further declines attended the March sales. Fine-haired wools and wools of good quality fell from 5 to 10 per cent., while medium and coarse descriptions gradually weakened until they dropped to 25 per cent. below the prices of the previous month. To put it in another way; good greasy fine wools that were selling last October at 26 to 30 cents per lb., did not realize more than 19 to 23 cents per lb. at the March series. Crossbreds fared even worse than merinos, and the decline in their case actually began at the May series of 1906. Good average 40's New Zealand fleece wool that was selling then at from 26 to 27 cents per lb. sold in March last at from 12 to 13 cents.

The result of the May series was looked forward to throughout the world with great concern. Values dropped at the start, but subsequently improved, the prices at the close being generally unchanged compared with those of the previous month. The recovery in the market was due entirely to concerted action taken by the brokers. Knowing that if the larger quantity of wool brought in for the sale were put upon the market in its then weak state further declines would be inevitable, they agreed to withdraw about 80,000 bales. Later, they withdrew another 40,000. This at once steadied the market, but unless the situation improves very considerably within the next few weeks, the wisdom of their action may prove questionable. The woolen manufacturers have large stocks of goods on hand. If they are unable to clear them out and buy more wool, the 120,000 bales held over will not have been materially reduced by the time of the next sales, which open on July 14th. In these circumstances, the outlook for a rise in values is not promising.

It is worth noting that of the amount offered at the May auctions, home purchasers took 90,000 bales, while the European continent took 50,000 and America only 60,000. This is an unusually small amount for purchasers from this side of the Atlantic, although there have been occasions when they have kept out of the market altogether.

#### Collapse of Toronto Market.

As regards the Toronto market, the wool business here for nearly a year past has been completely demoralized. Purchases of wool have been almost nil, and for the past four or five months sales have been made only at great concessions. The decline in values from this time last year has been about 50 per cent. While the purchasing capacity of the mills has been curtailed by 75 per cent., their ability to sell has been reduced to an even greater extent. Most of them have abnormal quantities of wool and manufactured goods on their hands, and until confidence is once more restored and buyers return to the market, no improvement can be looked for.

The farmer need not expect to-day more than 7 or 8 cents for unwashed coarse wool, 12 cents for combed and 10 cents for rejects. The year is an exceptionally bad one for speculators. Small buyers should confine themselves to low prices or else leave the market severely alone. Without undue pessimism, and at the risk of repetition, it may be said that present indications do not point to any substantial rise until next fall. And there is just as great a possibility of a fall.

## COMMERCIAL MARKETS.

Montreal, June 4th.

Trade conditions in Montreal have not shown much improvement during the week. This has been mainly due to the change in the weather, the general feeling being considerably better than it has for some time past. As the season advances and the outlook for crops in the North-West continues favorable, the general tone becomes more hopeful and, it begins to look as though considerable activity will develop by the fall, unless misfortune overtakes the crops.

**Butter.**—The market for creamery shows a slight decline, the range of prices being now from 21½ to 22c. wholesale. This is still fully a cent over export prices.

**Cheese.**—Prices have declined slightly since a week ago and quotations now range from 10¼ to 11c. for Easterns and 11 to 11¼c. for Westerns. Exports are not half what they were a year ago.

**Eggs.**—There has been a slight reduction in the price of eggs, and straight-gathered stock may now be had at 18c. wholesale, selects being 20c.

**Flour.**—The market for flour is quiet. Prices are steady. Manitoba spring wheat patents are 6.10 per barrel in bags, seconds being \$5.50, Ontario winter wheat patents being \$5 and straight rollers, \$4.50 to \$4.75.

\* \* \* \* \* Toronto, June 4th.

**Fruit.**—Trade is brisk. Strawberries are coming in very plentifully at slightly higher prices, selling at from 17 to 18c. per box. Texas tomatoes are somewhat easier at \$2 per crate. Bananas are firmer in tone, selling at from \$1.75 to \$2 per bunch.

**Fish.**—The market is fairly brisk, and stocks are arriving freely. Trout is selling at 9c., and whitefish and halibut at 10c.

**Provisions.**—The market generally is steadier, although owing to heavy receipts, the butter market is weak. A further decline in prices is looked for. We quote: Creamery, 21 to 23c.; dairy, 19 to 20c.; eggs, 18c.; lard, tubs, 12c.; pails, 12¼c.

**Groceries.**—Trade has become very active. There are no changes in prices.

## NEWS AND NOTES.

The fact is worthy of note that the make of creamery butter was very much less last winter than usual. Double the quantity is in consequence now being imported from across the border. This is one of the results of the light crop last autumn. Farmers have been compelled to sell a great part of their cattle owing to the scarcity and high prices of feed. Not for many years, since 1896, in fact, had they been in this quandary.

Canada's trade with Mexico is growing rapidly. In three years, exports to that country have increased from \$26,195 to \$317,115, the amount last year. While this is a remarkably good percentage of increase, the total is still insignificant, forming a very small proportion of the total imports into Mexico, which last year were of a value of \$116,681,694. The market is full of possibilities for Canada, who should be in a position to supply it to a far greater extent than at present.

The last issue of the bulletin of the Imperial Institute contains an interesting account of investigations made into the pearl banks of Ceylon and the life history of the pearl oyster in general. It was formerly supposed that "shell pearls" resulted from an irritation to the shell caused by boring sponges, or annelids; but the result of an examination of some 32,000 pairs of separated bi-valves negated this supposition, and showed that these animals have little influence in pearl production. Fully 90 per cent. of the shell pearls are due to the attachment of cyst pearls or muscle pearls to the nacreous lining of the shell. The pearl originating in this manner are at first stalked, and at this stage can be readily detached; at a later stage the peduncle, or stalk, disappears, and eventually the pearl may be entirely lost in the substance of the nacre. Shell pearls have cestode embryos as nuclei are usually irregularly disposed on the surface of the shell lining, but small attached pearls sometimes occur in regular positions coinciding with muscle scars. Decalcification of the last-named pearls revealed no organic nuclei.

Two bakers have assigned in Warton, Ont., which has a population of 2,800. Who bakes the bread there now?