

## COMMERCIAL.

The general condition of trade remains without material change, except that the increased activity noted in our last report in all staple lines continues, and the tone of feeling is quite buoyant. The more seasonable weather has undoubtedly much to do with bringing about this very desirable effect, but an important factor in the situation is that the agricultural portion of the community are now realizing more freely on last summer's very large yield of farm produce of all kinds, and, therefore, are ready to buy more readily than they were before. It is true that in some sections money is still somewhat scarce, as farmers, having marketed part of their stuff and expecting higher prices, are holding on to the balance of their crops, feeling that they can afford to do so under the circumstances. Consequently remittances are still somewhat complained of by our wholesale houses. Still the crops are known to be in the country, and this assures thorough confidence in the future.

Far too many merchants, in their eagerness to effect sales, mortgage the future of their trade in one way or another, and thus, while prolonging the evil day, hamper their chances of getting into better conditions, to say nothing of getting rich. This is more visible perhaps in the practice of giving long credits and dating ahead than in any other feature of modern business. Under the excessive competition that prevails in most departments of wholesale trade goods are too often sold in a round-about way at six months' credit and upwards. As business men they must know that the interest charges must inevitably be borne on such transactions. Thus are all parties concerned by this increased tax on the goods, and the consumer is made to pay more to keep up a vicious system of long credits between manufacturers, wholesalers and retailers. As soon as a stock of goods is placed in a retailer's hands then he begins to realize cash from the sale thereof, so that practically in many cases before they are charged against him by the wholesaler he has sold a considerable portion and got the cash in. Instead of saving this cash, as in former days, with which to pay his wholesaler's account, it goes into his general bank account, and the note given to one firm is usually paid out of the proceeds received from the sale of goods bought months previously from an entirely different concern. Thus does the dating ahead system provide the retailer with cash so long ahead of the maturity of his purchases that he is too often tempted to overrate his resources and to become extravagant in his personal or household expenses, or to use his accumulated funds in speculation or in a hundred ways, instead of reserving it for payment of goods that were "dated ahead."

There was probably never a more favorable time for applying the pruning knife to credits than the present. Country merchants have latterly been manifesting greater caution and conservatism in their purchase and favoring a sounder and healthier trade policy. Instead of laying in heavy stocks months before they are wanted by customers they should learn to buy only for present requirements and defer the bulk of purchases until there are satisfactory evidences of their being able to sell and pay for them. Although a departure from the usual custom, this is admitted by importers to be a step in the right direction, and one which would, if persevered in, result in more frequent visits of buyers to the wholesale market with correspondingly quicker payments and more satisfactory profits.

**WEEKLY FINANCIAL REVIEW OF HENRY CLEWS & Co., NEW YORK, OCTOBER 17th, 1891.**—"We have had another week of halt in Wall Street, except at its close, when a fair rally set in. The halt may be said to have been in the nature of a reaction from the late rapid boom in prices. The bears have done their best to depress values; but, having sold upon an already heavily oversold market, their efforts have reacted upon themselves, and their large outstanding liabilities to return borrowed stock really constitute the main-stay of the market for the time being. The bulls show no hesitancy in taking any amount of stock offered by the opposite side; but such purchases are probably made chiefly by professional or room operators, who calculate upon making a moderate profit on an advance expected when the large outstanding line of shorts come to be covered. Probably a class of large operators and the more conservative among the outsiders have stood aloof from other and broader reasons.

It cannot be denied that there are factors in the European side of the market that are hopeful for its future course. The improved promise of the European harvest has produced a better feeling in London. That factor suggests the probability of the importations of grain falling below what has been expected, which so far favors a smaller exportation of gold to this country than has been calculated upon. Probabilities of this character have produced a better tone in the London stock market, the benefit of which has appeared in firmer quotations for American securities. It seems to be largely due to these more favorable aspects that the Bank of England on Thursday continued its rate of discount at 3 per cent, contrary to the general expectation that it would be advanced; the action of the Bank, however, may also have been influenced by the fact that the exports of gold to the United States have within the last week or ten days shown some abatement.

At this point money, both on call and on time, works easier, owing to the imports of gold and the declining demand from the interior for currency. This feature facilitates the carrying of stocks and is so far a bull factor of some importance.

For the present, the situation warrants conservatism. The halt in the upward movement is liable to produce frequent temporary drops and quick rallies in prices; and it is advisable to wait for the periods of such fluctuations as the safest occasions for either buying or selling. But notwithstanding the prudence of these reservations, I see no reason for any weakening

of confidence in the ultimate revival of the boom and in a further advance of prices when the latter benefits of large crops and of abundance of money make themselves more broadly felt."

**Bradstreet's report of the week's failures:—**

	Week Oct. 16.	Prev. 1891	Weeks 1891	Weeks 1890	Weeks 1889	Weeks 1888	Failures for the year to date
United States	198	230	177	205	195	9448	7985
Canada	50	38	29	41	31	1428	1269
							8942
							1382

**DRY GOODS.**—Trade during the past few days has shown considerable activity, some retailers reporting that they had more customers than they could conveniently attend. This is easily accounted for by the seasonable weather, which has forced people into purchasing fall goods that they have delayed so long as the weather only demanded summer clothing. Travellers now on the road are doing well, and everything still points to the expected good trade in the latter months of the year. It is likely to be made more certain by the fact that retailers appear to be getting into the wise way of buying goods only as they are required. As is still expected, remittances continue poor. Prices are steady and generally firmly held.

**IRON, HARDWARE AND METALS.**—The market for pig iron is looking somewhat firmer, but it does not show that volume of business that was expected. Still the Londonderry Iron Company is full of contracts and is indifferent about selling. Altogether it looks as if pig iron ought to do better, especially as very little stock appears to be carried over. In bar iron matters continue quiet, but it is said that complications may arise between the Ontario and Quebec mill corporations which will prove interesting to buyers. The tin-plate market has been firm since our last, all supplies arriving being pretty well absorbed. The demand for terne-plates continues exceptionally small, and supplies are, therefore, somewhat heavy. Canada plates are dull and unchanged. The supply is comparatively small, but is ample for the demand. There is no change in copper or lead locally. The former article has declined sharply on outside markets, but there is little or no stock here, and prices remain the same. Lead is the same way. Ingot tin is absolutely out of stock here. As a result prices are stiff and higher. There is no change in galvanized sheets, which rule steady, but zinc sheets are scarce and nominally 50c. higher.

**BREADSTUFFS.**—The local flour market is without change—a quiet business only being done on jobbing account for immediate wants. Prices rule easy and nominal. There is a small demand for oatmeal and prices are easy. The feed market is quiet with no change to mention. Hay and other cattle-feed of all kinds is superabundant throughout this Province, and hundreds of farmers are preparing to utilize it by buying up "likely" young steers with a view to fattening them during the winter for next spring and summer's market. It seems, therefore, probable that the supply of fat cattle offering on the market after the winter will be unusually large, and it is reasonable to expect a diminution in prices in consequence. Two-year old steers are now selling at auction for \$20 to \$26 each, which is a very good figure. The Liverpool public cable says:—"Wheat steady, demand poor, holders offer moderately; corn firm, demand improving." In Chicago wheat was about steady, but an advance of 1c. was achieved. Corn was unchanged but stronger. In New York wheat was steady to strong. In St. Louis it advanced 1c. to 1 1/2c. In Toledo and Duluth wheat was firm, and in Milwaukee quiet.

**PROVISIONS.**—Local dealers have marked down western pork owing to the continued weakness in the west, where stocks are very large and the receipts of hogs very liberal. The price of short cut stands as it was because of the short supply on spot. The demand for pork continues good. Smoked meats are quiet, but little is doing in lard. Provisions were steady but quiet at Liverpool. In Chicago the market has ruled strong. Hogs were slow but steady. The cattle market was a shade lower.

**GAME AND POULTRY** are so far scarcer than usual this season. Partridges realize to those who bring them to town 30c. to 35c. per brace and rabbits 12c. to 15c. Turkeys command 11c. to 14c. per lb. Geese about 50c. to 60c. each, and chickens 30c. to 40c. per pair.

**BUTTER.**—Butter rules quiet and the general conditions of the business continues the same as at our last report. Medium and inferior grades are still in considerably smaller supply than the demand. Really good butter is in fairly good supply but stocks in sight are not accumulating and it is impossible to say whether the allegation that any considerable quantities are being held back in the country is based on fact or not. A London letter says of the butter market there:—"After pursuing a waiting policy during two or three days in the week, in the hope of getting concessions, buyers of butter have been nipped, and are now asked to pay in some cases much enhanced rates. Supplies have been very scarce, and holders demand higher prices for all descriptions. Danish is 5 kroners higher, while Normandy and Brittany are as much as 5s. to 8s. above last week's rates. Yesterday's market was very strong, and to-day firmness is maintained. The appreciation in price extends to American, which is readily saleable up to 95s. for creameries and 80s. for ladles. We quote 88s. per cwt. tubs of American dairy new make and 97s. for Canadian creamery, while exceptionally choice parcels from the Dominion have realised up to 106s. The Grocer agrees with Mr. Dyke in his scathing remarks about the quality of the major part of Canadian butter arriving here, alleging that what comes is chiefly sold in Welsh markets, owing to the irregularity in quality and high color which choke off Liverpool buyers. But then Liverpool buyers always are peculiar in their ideas. There is certainly a lot to be desired in the shipments from your side, and it is hoped the fine parcels now to be had in London are to be taken as indication of what is coming as a rule in the future."

**CHEESE.**—No improvement is shown in the local cheese market and the business drags along very quietly. In the country nothing particular is