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COMMERCIAL AND FINANCIAL REVIEW.

It would tax the nerve of the most astute and ordinarily impassive writer on finance to pass without comment over the astounding political events which will render the first week in September, 1870, for ever one of the most memorable in history, and the annals of the preceding months without a parallel. The development of the art of destroying men in masses, by the application of science to the manufacture of deadly weapons, has been fondly looked upon for some years as the certain precursor and producing cause of peace among the nations. Humanity, it was argued, would not endure the slaughter such weapons would entail, and that happy consummation which neither Christian ethics nor material interests could effect would be brought about by the dread of those weapons, upon which millions had been spent, to become nothing more than scare-crows. The London *Times*, usually so shrewd and cool, has now expressed a belief that the only hope of peace rests upon the effect which the graphic descriptions by the press of the horrors of a battle-field will produce. This theory ignores the fact that for many years there has been the most profound horror of war in the minds of all men—even of generals who took a professional view of it; and although the fields of Alma, Sadowa, Solferino, Gettysburgh, and a score of others, have been photographed by the historian, yet to-day carnage is still carried on. If *that* is the chief hope of future peace, it is indeed a vain one. It is surely high time that there should be some arrangement effected by which the vast interests of commerce and the sacredness of human life should be protected from those terrific attacks which are periodically made by the ambition or vengeful lusts of one man, or of one or more governments. If, when some dispute occurred between them, the Grand Trunk and the Great Western authorities were to draw off their respective employees and proceed to destroy their rival's stations, burn his rolling stock, shoot his men, and sack their homes, the whole civilized world would raise a shout of horror and indignation. But if two companies of men, bound by national ties into separate states, fall out, or if only their General Manager's quarrel as to a family difference, the whole civilized world takes it as a matter of course that they should at once proceed to try which can most injure the other. We put this before our fellow-countrymen in order to urge them, as far as their power goes, to bring about the time when fomentors of, and chief actors in, national brawls will be subjected to the power of a police, and the whole idea and machinery of war be deemed as vulgar and revolting as a rowdy fight.

Although there is now some slight prospect of peace between Prussia and France, there is not so pleasing an outlook in reference to the future of the humiliated country. The iron-grip of Napoleon relaxed (which, with all its terrors and all its shame, to a people like the French, secured them many years of quiet); there will be a reign of disorder, probably very prolonged, and fruitful of bitter and sanguinary struggles, through which, if France emerges without civil war, she will be very fortunate. We again draw attention to one feature of the financial history of the war, which has a very direct interest for us—the working of the system of the bank of France. On the 12th August that institution suspended payment, having on hand $200,000,000 gold in its coffers to meet a circulation of $320,000,000. As a singular proof of the excitement of the war, and the confidence felt in its early or glorious ending, the securities lodged, on which advances were sought, increased the first three weeks of the war $110,000,000, on which were drawn $29,000,000 in the banks own notes (no thought, clearly, of any suspension,) $43,000,000 was taken in gold to meet the drain in country districts, and $35,000,000 were left on deposit, so that the public left $64,000,000 with the bank out of 110,000,000 as proof of its confidence in the national strength. It is worthy of note that when the bank suspended in 1848, its circulation was little more than one sixth of what it now is. A great stride in material wealth has been made under the Empire; how far this will be lost by the war is a hard problem.

Turning from this topic to more homely ones, we have little to record for the past week in the wheat, produce or lumber markets. Wheat is still declining and very heavy of sale. Large quantities are pouring in to Montreal, the receipts for the last week of August exceeding the corresponding one of 1869 by 75,600 bushels. The total receipts by rail and canal from 1st January to 31st August this year, have been 4,200,000 bushels; in same period, 1869, they were 3,700,000, an increase of 500,000 bushels. The shipments by all channels for same period this year, were 3,650,000, and for same period 1869, 2,630,000, an increase of 1,000,000 bushels. The stocks still show a considerable increase, 540,000 bushels being held in store and by millers, while in 1869, at same date, only 205,000 were on hand. Of flour, the total receipts per rail and canals from 1st January to 31st August this year, were 631,000 barrels, and in same period, 1869, 560,000 barrels, an excess of receipts this year of 70,000 barrels. The shipments of flour show in same period 1870, 446,000 barrels; in 1869, 487,000 barrels, a decrease of shipments this year of 41,000 barrels. More exact observation of the European harvest seems to indicate a less aggregate yield than was thought of some weeks back, though of no very serious extent. It is ascertained that the war came upon the Prussians in the crisis of harvesting, and that large quantities were gathered in in great haste, and no small area was reaped as unready for their sickles, as the French were for their swords.

We notice as a singular coincidence that the exact number of cargoes of wheat were expected arriving a fortnight ago in English ports, which were known on the same date last year to be on their way, that is 325.

Further shipments have been made of 450,000 feet of lumber to Melbourne, Australia. In connection with this trade we would caution merchants to take more than ordinary care in their consignments. The Australian market is somewhat peculiar, owing to its position chiefly, but largely from the strong spirit of speculation which pervades many of its merchants.

We would urge, therefore, upon shippers, the necessity of securing their returns, so as to place themselves beyond the risks of a very variable market. It is known to us that heavy consignments have again and again been made to that country, which, on arrival, were valueless for years, and involved, from storage charges, depreciation from weather, variation in the demand, &c.,