

COMMERCIAL.

We have, at last, the pleasure of noting a more reasonable state of the weather. A "cold snap," which has been looked-for and expected for several weeks, has come, and business in all lines has been thereby stimulated. Of course the effect is more immediately felt in winter clothing and other dry goods, but its influence is evident in nearly every branch of trade.

In June last, at the annual meeting of the shareholders of the Bank of Montreal, Mr. E. S. Clouston, its general manager, said in referring in his report to the necessity of greater economy on the part of traders and the pressing need of curtailing credit:—"There are too many in business with insufficient capital, and their credit is honeycombed by too much and too long credit." This utterance has the weight of an axiom, and has the same force now that it had when it was penned. We question if there ever was a time in the commercial history of Canada when the necessity for reducing credit was more pressing than it is at the present moment. Credit has been very lavishly scattered during the past two months throughout this and the sister provinces on the strength of an abundant harvest, and one fact has not, apparently, received due attention, and that is that more than the extra crops of this last season are required to liquidate the accumulated arrears arising from the poor yields of the previous three years. Therefore it is not at all surprising that complaints are rife about remittances. Storekeepers, fishermen and farmers, have been compelled to settle old claims, and in consequence, the new credits extended by wholesale houses within the past two or three months have, in many instances, been applied to wiping out of other and of older claims. It is understood that a large portion of the proceeds of the farmers' marketings have thus been devoted to the liquidation of over due bills for agricultural implements, etc., which had become of so pressing a character that a further postponement of their settlement was impossible. A large number of country storekeepers, therefore, who confidently expected to have made remittances to our wholesale houses long before this, have been unable to do so owing to slow collections, notwithstanding the fact that a more considerable proportion of the produce of the Province has already passed out of farmers' hands than many people have the slightest idea of. Certain city merchants have repeatedly asked how it is that remittances come in so slowly from the country in view of the fact that farmers are receiving fairly good values for their produce. The only answer is that farmers are paying off old indebtedness to country storekeepers. The money will, however, doubtless come in later on, although it would have been better for some if they had paid more attention to the advice of leading financiers and of THE CRITIC, by curtailing, rather than increasing their lines of credit. It is unquestionable that many weak houses were led by the deceptive cry of "a good time is coming," which set in immediately after the harvest, to extend their credits beyond the bounds of prudence in many instances. For these reasons the words of Mr. Clouston should be borne constantly in mind—"there are too many in business with insufficient capital, whose stability is honeycombed by too much and too long credit."

WEEKLY FINANCIAL REVIEW OF HENRY CLEWS & Co., NEW YORK, November 28, 1891.—"The past week has shown some improvement in the tone of business at the Stock Exchange and some recovery in prices. The change has been in a large measure due to a relief from the extreme tension lately existing in the European markets. The late depression abroad, while due to real and serious causes, has no doubt been aggravated by speculative influences, and those influences have been exerted to close upon the verge of producing widespread panic. The European 'bears,' however, appear to have known exactly how far they could go without provoking general disaster, and just when a crash was feared have become buyers, with the effect of a general recovery of confidence.

During the week, Russia has closed her ports against the export of wheat; which, added to her previous stoppage of exports of oats, must have the effect of largely increasing the shipments of those cereals from our own ports. The large shipments of grain are adding remarkably to the volume of our exports. For the three months ending with October 31st, the total exports of merchandize exceed those for the same period of 1890 by 34 millions, while the imports for the same months fall 15 millions below those of last year. The trade balance in our favor, for the three months, is 64 millions compared with only 15 millions in 1890. This balance, however, has been set off by simultaneous gold imports amounting to 25 millions, which left an outstanding balance in our favor of 39 millions at the end of October. As that balance has since been increased, the inference is obvious as to the prospects of continued imports of gold. Under the gloomy conditions recently existing abroad, it was not unlikely that this balance might be liquidated to some extent by the return of our securities; but the more hopeful symptoms in both the finances and the politics of Europe above referred to favor liquidation in gold rather than securities.

This remarkable concurrence of events of a pacific tendency puts, for the time being at least, a widely different aspect upon foreign affairs from that which lately excited an almost hopeless apprehension on the European markets. From quarters responsible for all that apprehension, there comes an open expression of desire for a revision of relations in the interest of peace. It is true, it may prove obstacles stand between the desire and the achievement; but so much as has transpired in these initiatory efforts warrants a more hopeful attitude in the financial markets of Europe and America.

At home current influences are favorable to the Stock Market. The condition of the bank reserves is conducive to continued ease in money. The trade of the country at large is beginning to show a more distinct response to the stimulus coming from our abundant harvest. The earnings of the railroads are still gaining upon those of last year, and that upon the net as well as the gross business. These several factors are producing a firmer

feeling among holders of stocks; and as the market is largely oversold, the purchases of the 'bears' to cover short contracts are likely to have a favorable effect on prices at an early day. Under these circumstances it would seem safe to buy good stocks on the reactions for early favorable developments."

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

	Week Prev.	Weeks corresponding to				Failures for the year to date			
	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.	Nov. 27. week.
United States	1891	1891	1890	1889	1888	1891	1890	1889	1888
Canada	242	303	233	205	264	10934	9180	10372	9166
	37	47	36	36	34	1671	1489	1482	1566

DRY GOODS.—The demand for seasonable woollen goods for sorting requirements continues to be fair, but business, though somewhat improving, is by no means active. Some complaints are made of cutting in prices of flannel underwear. The cut is said to be as much as 10 to 15 per cent. Travellers are meeting with poor success in placing their spring orders, and if it were not for the sorting business they would not be paying expenses. It is said that a New York firm is in negotiation with manufacturers in Quebec and Ontario for a large quantity of grey cottons for export to China. Blankets are also wanted for the same market, and it is expected that a considerable deal will be effected. The prices of both grey and white cottons are firm, and an advance in some lines appears imminent. Complaints of slow remittances are reiterated.

IRON, HARDWARE AND METALS.—Business in both bar and pig iron is unimportant, and the market rules quiet with prices nominally unchanged. Sheets, hoops and bands are without feature, the movement in them being extremely limited. Tin plates,terne plates and Canada plates are dull and easy, and buyers have not operated on them at all during the fall. Copper rules quiet and easy with nothing to note that demonstrates a fair market quotation. Tin and lead and galvanized and zinc sheets are without feature and unchanged as to values.

BREADSTUFFS.—The local flour market is quiet with a small business doing, but only in a jobbing way. Prices show practically no actual change, but the tendency is decidedly unsettled. The demand for corn and oat meals is light, but quotations are unchanged. In England wheat is quiet and corn nil. The United States grain markets generally are quiet and evidence no particular change just now. The enormous quantities now rushing in at all the principal grain centres prevent any advance in prices, despite a largely increased demand from Europe.

PROVISIONS.—There is a fair demand for Western short cuts, which are firm. Smoked meats are quiet and unchanged. There is nothing new to note in either the British or American provision markets.

EGGS.—Receipts of eggs continue light, and the market rules steady under a fair demand. Choice, fresh eggs are worth here 21c. to 22c. A London letter says:—"There have again been smaller arrivals of eggs into London this week, and prices have undergone an appreciation of from 3d. to 6d. per long hundred, quotations being: French, 7s. 6d. to 11s.; Hungarian and Austrian, 7s. 6d. to 9s. 3d. Russians are coming sparingly to this market, their favorite point of importation being Hull, where they are selling in quantity. The trade for Canadians does not seem to catch on in London as it has done in Liverpool, for whereas, with quotations for Irish passing 10s. 6d., Canadians have there realized up to 8s. 9d per 120, and are the most eagerly inquired after of any eggs in the market, here the few eggs that arrive from the Dominion are only placed with difficulty. The prejudice in the retail trade is almost ridiculous. Canadian eggs this week have been sold at 9s. per ten dozen, but the satisfaction this excellent price might cause is somewhat damped by the fact that the progress they wish to make is chilled by the conservatism of buyers. However, Canadians have made their own name here, and they are a fixture on our markets for the future; but it will be well for shippers if they will take the advice I have tendered them from the inception of this trade—that success can only wait upon extreme carefulness. Well-packed, fresh stock is bound to go; stale and ill-boxed are as sure to be a drag."

BUTTER.—There has been no change in butter in this market. Really choice butter, fresh from the country, in small packages, is eagerly sought for at 17c. to 19c. per lb. at wholesale. A London correspondent writes:—"There has been a rather improved demand for butter following on the decline in prices last week, and Danish has experienced another drop, being quoted down to 132s. The quotation committee are not beat yet, however, and next week's arrivals are set down as to go at rates up to 136s. This little game will soon be put a stop to now, and it will not be very long before Danish comes down to within measurable distance of 120s., and nearer its proper position by shillings than it is now. If not, there will be few sales, especially if the Antipodean produce due next week should be all that is said of it. Normandy and Brittany are up to 2s. to 3s., and fresh rolls are 1s. more per dozen lbs. The run is on American, which goes off freely at full prices."

CHEESE.—There is nothing new to note about cheese in this market. The demand is light and the supply is just about equal to requirements. In England cheese is very quiet. American and Canadian have changed position but slightly since last week; medium grades have met, no doubt, a better inquiry, but the general run of prices is unchanged, though a lot of unenviable stuff has been got rid of which clears the way for better things. There is plenty to be had below 50s., but the demand is far from weak up to the full limit of 55s.

APPLES.—The local market is well but not overabundantly supplied with this fruit, which sells at \$1.50 to \$3 as to selection and packing. We regret to notice that some old-time favorites, such as Bishop pippins, etc., are rapidly approaching extinction. The Bishops are one of our best-flavored apples, but their texture is so delicate that they do not bear transportation well. Consequently they are in disfavor among shippers, and farmers are gradually grafting them out, substituting gravensteins, russels,