LONDON TIMBER REPORT.

The following particulars of the London timber market are extracted from Foy, Morgan & Company's annual circular:

PINE.—The prices asked in January for the spring shipments seemed at first recklessly extravagant to the London dealers, and it is not surprising therefore that for two months or more forward business was at a standstill. In March, however, some 1st and 2nd quality were sold, buyers having by that time decided that they must at once accept in good faith shippers' statements of the reduction in the supply of good quality pine. The import has been larger than last year, but the surplus consists almost entirely of 3rd and 4th quality of pine, on which there has consequently been a serious drop in values, although the higher qualities still hold their own. Business has been of a retail character, and the consumption smaller than during any of the previous five years. Canadian shippers are now paying for 1904 production some 10 per cent. advance on last season's prices, the equivalent of which will certainly be stoutly resisted by the importers on this side.

SPRUCE.—Selling for the new season commenced in February, when some considerable contracts of Quebec spruce were closed on the basis of £10 and £9 15s. for 2nds, and £9 5s. for 3rds 3x9 c.i.f. With regard to battens, 3x7 3rds were placed at £7 15s. and £7 12s. 6d. c.i.f., but most shippers asked 10s. more for 8-in. The best stocks of unsorted lower port spruce next found a fairly ready sale at £8 5s. and £8 7s. 6d., for average 9 in., while 3x7 and 8 alone, of which there was evidence of a considerable surplus in shippers' stock notes, were pressed on the large markets as low as £7 c.i.f. In March several new stocks of Galatz white being pressed for sale at £8 10s. to £8 15s. for 3 x 9 and 3 x 11, all spruce business experienced a very decided set-back—the more especially as spot prices had meanwhile not shown an adequate response to the higher cost of the new supplies. The second quarter of the year, which witnessed the collapse of Riga White prices, was a critical period also for the spruce market, but shippers, having only small stocks to deal with, and knowing the high cost to replace in consequence of the competition from the States, refused to drop prices. Meanwhile the long-continued drought in Canada helped the situation materially by still further diminishing the expected supplies. The import has consequently been unusually small, and the season ends with small stocks on this side and prices re-established after the nominal decline in the summer. At the shipping ports the wintering stocks are reported to be smaller than they have been for many years.

RED PINE.—A large part of the previous autumn's importation of deal sizes was carried over and sold at auction during the early months of the year. The prices realized for parcels of really good quality showed at first considerable improvement, but as soon as the inferior shipments began to be catalogued, the market dropped heavily. Buyers are naturally suspicious about this wood as regards sap, so that parcels showing any discoloration are often very difficult to sell. The shipments made this summer, however, came forward in good bright condition, and were to a large extent disposed of privately. Red pine has only a limited vogue except as a substitute for Baltic redwood, so that while sizes which are scarce will often fetch as much as Baltic fir, one may see those which are plentiful selling at the same time at a heavy discount. The experiment made in 1902 in shipping this wood to the Cape proved a success, so that considerable new orders were placed this spring, starting in February, at £10 5s. for 3x9, and £8 for 3x7 and 8 f.o.b. Montreal. This trade was greatly facilitated by the inauguration of a line of Inter-colonial steamers, which catered for the parcel trade at a freight of 75s. These sales checked business in the regular Swedish deals with the Cape for several months, and largely caused the drop in prices referred to above.

LUMBER PRODUCTION AND STOCKS.

Interesting statistics concerning the lumber production and stocks on hand are contained in the last issue of the American Lumberman. The statistics refer to the States of Michigan, Wisconsin and Minnesota. The total cut of pine lumber in these states during 1903 was 4,791,852,000 feet, as compared with 5,294,395,000 feet in 1902, 5,336,448,000 feet in 1901, and 5,485,261,000 feet in 1900. The maximum figure was reached in 1890, when the cut was 8,597,623,000 feet, and since that time the cut has gradually declined. The stocks of northern pine on hand at the close of 1903 were 1,964,552,000 feet, compared to 2,112,719,000 feet in 1902, 2,388,256,000 feet in 1901, and 2,839,705,000 feet in 1900. Stocks on hand at the close of last year were 857,153,000 feet less than at the close of 1900, while during the same period the production declined 693,709,000 feet.

The shingle production has been irregular and the totals do not show that degree of decline that pertains to the output of lumber. The production in 1903 was 2,342,202,000, in 1902 2,685,757,000, in 1901 2,471,627,000, and in 1900 2,400,679,000. The stocks on hand at the close of last year make a heavy showing as compared with 1902, the figures for the two years being 627,072,000 and 397,815,000. This surplus is accounted for by the dull market that prevailed late last season, together with increased competition from red cedars.

The hemlock output of Michigan, Wisconsin and Minnesota in 1903 was 11,334,444,000 feet, against 1,277,814,000 feet in 1902, 1,264,943,000 feet in 1901, and 1,166,288,000 feet in 1900. There has been a steady gain in the total production of hemlock since 1899. The stocks on hand at close of last year were 515,935,000 feet, which compares with 441,634,000 feet in 1902, 574,406,000 feet in 1901, and 622,312,000 feet in 1900.

Reports from 122 wholesale dealers show that at the end of last year they were carrying 938,034,000 feet, while one year earlier 90 dealers were carrying in their yards 936,483,000 feet. For this year the average amount of northern pine held by each yard would be 7,688,803 feet, against 10,405,374 feet last year.

DEMAND FOR SQUARE AND WANEY TIMBER.

The great feature in the London market, say Denny, Mott & Dickson, has been the increase in the price of waney pine and rock elm. The scant supplies of these woods in Quebec were cleared to Europe without effort at unprecedentedly high prices; and, although such high cost has checked the use of these woods on this side and increasingly caused Oregon pine to be used as a substitute for white pine decks, &c., a fairly satisfactory substitute for rock elm has not yet been found. The fact of an abnormally small wintered stock at Quebec of these woods is causing the Quebec shippers to still further increase prices; and, in face of this information, it is for consumers here to learn to do without these woods or to pay during next year the extravagant prices demanded. Oak is in good supply, and prices have been, and seem likely to remain, comparatively cheap.