

COMMERCIAL.

We have no change to note in the general condition of trade, but, now that the elections are over, it is to be expected that closer attention will be paid to business, and there is every reason to anticipate that a fully average turnover of goods will be accomplished this spring.

Heavy failures of large business firms continue to occur in Montreal and Toronto, and business there, and in the sections whence those cities draw their home supplies, seems to be badly demoralised. Very vicious mercantile methods appear to have prevailed to a frightful extent there and the natural result is following. Banks have far too freely discounted purely accommodation paper right and left for people who were, to say the least, known to be shady, long credits have been granted, especially in dry goods, and even then the rule has been to ask for and obtain renewals, in too many cases men without capital or experience have gone into the business of manufacturing and, aided by the facilities offered for borrowing money on easy terms, have staggered on for several years until they are now being compelled to face their naturally angry creditors. It is to be hoped that when the present storm passes it will leave business there on a far better basis than it has been for a number of years, and that the hard lesson now being taught will not be thrown away. Happily our business men have conducted their affairs on a more conservative basis and we believe that they—both wholesale men and retailers—almost without exception, are staunch and safe. We in the Maritime Provinces will not be affected to any appreciable extent by the financial troubles of Ontario and Quebec.

Weekly Financial Review of Henry Clews & Co., New York, February 28, 1891.—“The causes that have depressed the Stock Market for the last three weeks still continue in force. The disposition to defer speculation until after the adjournment of Congress is general and the volume of transactions has fallen to about one third the average amount. How far the inactivity is really due to postponement till the close of Congress, and how far to other causes, must be left for events to determine; but it is quite possible that the reason ostensibly assigned for the deferment of transactions is made to do service for other influences. February is usually a dull month; and whatever improvement the adjournment of Congress may bring is likely to be more or less counteracted by the hardening of the money market that usually occurs in March and culminates in the first week of April. While, therefore, the market is likely to exhibit more spirit after the fourth of March, yet it is not unlikely that we may have to wait until the beginning of April for any really active and well-sustained movement in stocks; after which we may expect three or four months of uninterrupted ease in money, with a fair chance for recovery in the prices of securities.

The steadiness with which prices have been maintained during the prevailing excessive dullness is a symptom that deserves attention. It implies the comparative absence of weak spots in the market and the prevalence of a confidence which the “bears” find it prudent to respect. It evidences a sound state of affairs and the expectation of, sooner or later, a higher range of values.

In my judgment, the unusually depressing influences affecting the market for the last five months have predisposed Wall Street to very fully, perhaps excessively, discount the unfavorable factors in the railroad situation; whilst the most favorable factors seem not to have received the full consideration they merit. The railway interest appears to have touched its lowest point of depression about the period of the late panic. Competition and Granger legislation and agitation had then done their worst and the injury arising from the corn crop was estimated at its maximum; and those factors were taken at their full value when the panic level of prices was reached. Since that time, important changes beneficially affecting the railroads have occurred. There can be no doubt that the expenses of operating and management have been reduced under the pressure to which the roads have been subject. That pressure has also discouraged the construction of new roads, with the effect of correspondingly checking the most reckless form of competition. From the same cause, the construction of branches by existing roads has been placed under check, with the result of lessening the diversion of earnings from dividend account to construction account. The fierce aggressions of Granger legislation have reached their climax, and the blind popular sentiment that has demanded such legislation is now beginning to discover that to cripple the public carriers is to obstruct the channels of trade and of industrial development. A break in the ranks of the Farmers' Alliance is threatened by the large element of wage-earners, who find that repression of the railroads means the discharge of employes and the reduction of wages. The higher courts, even in the Granger States, are beginning to teach legislators that laws which do not afford a fair compensation to the common carrier are in the nature of unconstitutional confiscation—a position which had been already affirmed by the United States Supreme Court. These facts very plainly indicate that a point has been reached at which legislative oppression of the railroads is beginning to give place to a juster policy. The Western Railroad Association is also a factor from which some good results may be reasonably expected. It is at least calculated to put a check on competition and to reduce the costs of management over a very large mileage of road; how far it may secure an advance in rates remains to be seen; but, notwithstanding the disclaimers of any purpose to raise freight charges, it seems difficult to justify the creation of such a powerful organization if it is not intended to advance rate tariffs which are admitted to be ruinously low. It therefore seems probably that rates on through freight may be advanced at an early day on the roads of the Western Association. Another element calculated to affect railroad investments favorably is the failure of the free-coinage

scheme under circumstances which forshadow its early dismissal from public attention as a political issue. As that issue stands to-day, it affords little real reason for apprehension of any departure from the gold standard of values in the United States; and when this fact comes to be duly appreciated in Europe, it can hardly fail to raise American investments in the estimation of foreign investors and relieve the New York market of its present surplus of stocks. The foregoing may be reckoned as among the conditions conducive to a future improvement in securities, the anticipation of which is the main cause of the under-tone of strength which the market now exhibits.

The sum of \$600,000 of gold has been exported; but the present supply of sterling exchange is against the probability of shipments being continued.

Although the surplus bank reserve is likely to be diminished to some extent each week hereafter until after the first week in April, still there will not be sufficient cause for apprehension in connection with the money situation. The rates of money will most likely advance as we approach the period above named to 6 per cent on call temporarily, but the stringency which usually comes at that period is not likely to visit Wall Street this year, so that money as a factor will continue to be in favor of rather than against the stock market for some time ahead. I recommend, therefore, buying the lively marketable stocks on the concessious and realizing fair profits when obtainable for the month of March.”

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

	Week Prev.		Weeks corresponding to		Failures for the year to date.			
	Feb. 27.	Feb. 27.	1890	1889	1891	1890	1889	1888
United States.....	218	243	190	243	252	2543	2727	2317
Canada.....	43	52	34	47	426	390	398	362

Dry Goods.—No forward business is doing in this line just now, as about all the travellers have returned home from their first spring trips and will not go out again for a week or two. They, however, predict a good trade on their second trips. On both cotton and woollen goods prices are firm all around. Mill agents are coming round to the wholesale houses showing samples and soliciting orders for fall goods, but apparently they have as yet placed very few. During the past week remittances have come in very poorly and city collections have been disappointing, having fallen off somewhat.

IRON, HARDWARE AND METALS.—Very few changes have occurred in the past week in this branch of trade, for business has been small and inconsiderable in all lines, buyers generally maintaining their attitude of caution. The pig iron market appears lifeless. In bar iron a fair business is mentioned, but at shaded figures. In tin plate the quieter feeling before noted continues. In metals there has been no particular change in this market, ingot tin being steady, while copper has met with a little more enquiry, and holders have been able to secure in some instances improved values. In general hardware the market is dull, the only movement being a few lines of shelf goods. In London an advance has been made of 2s. 6d. in copper, 3d. in Scotch warrants, 1½d. in No. 3 Middlesborough, and 2s. 6d. in soft Spanish lead. Tin is the only metal showing a decline, being 2s. 6d. lower than it was a week ago.

BREADSTUFFS.—The local flour market shows no change, business being of a steady, jobbing kind, while values rule firm. A fair business has been done in city strong bakers for local requirements. The market on the whole has a firm tendency on a moderately fair amount of business. Millers in the west have advanced their prices 50c. to 60c. per bbl. on the plea of an alleged scarcity of good grain, but it is not believed generally that this plea is sound, because Ontario is known to have harvested a crop fully up to the average in quantity and of excellent quality. It is true that the Manitoba crop last year was small and inferior, but that has nearly all been already marketed, and it is known that the Ontario farmers have agreed between them to hold back what they have in order to force an advance all along the line. In England wheat is strong and corn firm. The continental demand there is also strong, and offers of higher prices have been cabled for Canadian wheat. In New York wheat has advanced ½c. to ¾c. In Chicago an advance of ½c. was accomplished. Corn there has been barely active and higher.

PROVISIONS.—There is not an active trade doing in provisions, but dealers are well satisfied with the movement, which is very good for the year. There has been no change in the English market, but prices are very firm. The Dundee Courier, speaking for a people who are making strenuous efforts to secure the large portion of the Canadian cattle trade, and making creditable arrangements for the shedding of the cattle on arrival, has an excellent article calling attention to the “sentimental gammon” of the present controversy, and urging Canadians to bestir themselves before their rights are legislated away by the extermination of the Atlantic trade. “Our farmers,” it says, “can buy stock from Canada more cheaply and feed them for sale than if the animals were home-bred, thus enabling them to utilize their grazings and cope with the low prices of the dead meat market.” This is the common-sense way of looking at the matter, and this view it is which will save the trade from extinction at the hands of faddists. The Chicago hog market was strong and advanced 5c. The cattle and sheep markets there were steady. In Montreal the dressed hog market has been quiet and dull, holders not showing any anxiety to push sales. A report thence says: “that the jobbers are in need of hogs is proven by their persistent endeavors to cry the market down, one provision dealer to day (Feb. 26) claiming he could buy all he wanted at \$5 50 to \$5 75. Notwithstanding the assertions of this and other dealers, however, we quote the markets steady at \$5.85 to \$6 in car lots.”

BUTTER.—This market is unchanged. Finest creamery is in good enquiry for table purposes, and full figures are paid for it to the exclusion of other grades which are dull in the absence of any other outlet. A cor-