THE PRODUCE MARKET.

THERE is little variation to note in the general features of the market. Arrivals continue small, and the demand mostly local. There has been little activity in any department except in the article of Flour, which, owing to insufficiency, has been actively competed for. Some relief has been afforded by increased carrying facilities, and a few of the overloaded depots are said to be cleared. There is, however, a large surplus still remaining at many points, to the serious inconvenience and injury of most concerned.

FLOUR.—The supplies in the early part of the week showed signs of improvement, and buyers were disposed to hold off for the time. Holders, however, kept firm, and receipts for the past few days being again small, buyers have come forward at former prices. Extra has become scarce, and higher prices have ruled. We note sales of good to choice brands at $4.80 to $4.90. Fancy, though not quoted higher, is more readily taken at former rates. Superfine, of which the bulk of transactions have consisted, continues as last quoted. $4.60 to $4.70 is readily obtainable for choice strong brands, while ordinary and city brands from Western wheat range from $4.45 to $4.60. No. 2 is readily taken as supplied at $4.20 to $4.30, and the lower qualities at their full relative value. *Bag Flour* continues in deficient supply, and fully maintains its value, although we have no advance to note. We quote $2.45 to $2.55, according to quality, with most sales between $2.50 and $2.55.

WHEAT.—We are still without transactions, there being no arrivals except to millers direct. U. C. Spring would command $1 to $1.02 if offered.

COARSE GRAINS.—There are few transactions taking place on the spot. Considerable is being done in some of the country markets and points along the railroad for shipment to the States, at various prices, according to the cost of carriage, &c.

PORK—Remains unchanged, and without any feature of interest to record.

BUTTER.—A continuance of heavy receipts at all the principal markets on this continent, has, if possible, added to the previous depression, and sales are in consequence impracticable at any decline holders would as yet submit to. Owners are becoming daily more and more anxious to realize their stock, even at a loss; and it seems probable that before long such prices must be submitted to as will move off the enormous stocks now oppressing the markets. Considerable quantities are still on the way and in the country merchants' hands, all of which must find a market before new is brought into competition with the old. This retaining on hand of stocks sufficient for the consumption of many months, and for the supply of many markets, till a season when the trade is restricted practically to one market, and the time very limited, affords food for reflection on the part of operators. Had holders been willing to send forward their Butter in proper season, when an active shipping demand existed, and when prices such as should satisfy the most avaricious could be obtained, the present state of things might have been to a large extent averted; but falling into the common error of grasping at a shadow, they have deservedly lost the substance. Now, at the close of the season, large parcels which had been carefully hoarded away are arriving from quarters where a dearth is said to exist, and weighing down the market, which, since the close of navigation, has been largely overdone with poor and middling qualities, such indeed as nothing but scarcity will ever draw into consumption, but which are utterly unsaleable when supplies are abundant. While shippers are at all times particular about quality, and are becoming increasingly so year by year, they naturally make a much closer discrimination as the season advances; the end of the season in Britain usually finding a surplus of poor, which can only be moved at a sacrifice. Hence the importance, so long as the low average in quality exists, of sending forward early; as when shippers have the advantage of a protracted season wherein to work off their consignments, they will venture transactions in an article which no inducement in price will tempt them to entertain at a later stage of the season.

ASHES.—Few orders are in the market, and, with continued dulness in Britain, prices remain unchanged. The transactions of the week have been mostly at $5.20 to $5.22½ for First Pots. Inferiors have been sold at irregular prices from $5.50 to $5.70, according to circumstances. Pearls—the few arriving find sales at $5.40 to $5.50.

PETROLEUM.

A COMPANY is being formed in Montreal and Boston for the development of the Petroleum lands of the Gaspé district. The managers have secured a quantity of surveyed, and bought from the Crown Lands Department a large block of 35,000 acres of unsurveyed lands, adjoining the properties of the "Gaspé Bay Oil Boring and Mining Companies," and intend to prosecute their researches with vigor during the ensuing summer.

THE MONTREAL MARKET.

There is no Crude in the market; and the stocks of Refined on hand in Montreal have not been so light for three years as at present; nor is there any coming forward from the West. The stock in store does not exceed 300 barrels in first hands; against 4000 barrels at this time last year, and 6000 the year previous. With a local consumption of from 40 to 50 barrels daily, this does not show more than sufficient in first hands to supply the trade for eight days. The few who are holding Oil, obtained an advance last week of from 3c. to 4c. per gallon, and are not anxious to sell this week, in view of the exceeding small stock in market, without a further advance. Unlike any other article of such general consumption, shewing such a deficiency, we hear of no one speculating or investing in it, above what is actually required for immediate trade wants. And this natural production of Canada, the export of which, if properly developed, would have brought to the Province great wealth, has, through mismanagement and apathy, dwindled down to that of a purely local and retail character; while the greater number of refiners have entirely closed their works, in consequence of the losses sustained during the last two years. The present lack of confidence amongst merchants, capitalists, and speculators, is owing to several causes. Most of those who did invest in oil a couple of years ago, lost heavily, through the want of adequate storage in Montreal. Until lately we had no *proper* storage for oil, which, on its arrival, has lain upon the wharf for several days together, subject to the heat of a summer sun. This caused leakage to a very great extent; indeed we are told that in many cases 25 per cent. of the oil was lost through this cause alone.

This difficulty is now entirely obviated. There are no better oil stores in the Province than those situate on the line of the Grand Trunk close to this City. They are covered in with earth in such a manner as renders them proof against heat; and we are informed that oil stored there during the last eight or ten months did not lose a quart to the barrel. We make these remarks, knowing that many of the western refiners and oilmen stored in Toronto last year on account of our lack of accommodation the previous season. We believe some four or five thousand barrels were stored in Toronto last fall, and that there is a very considerable portion of it still lying there. Had our western friends been aware of the storage facilities which—thanks to the Grand Trunk Railway Company—we now possess, this oil would have been here to meet the present demand. The high winter freights of the Grand Trunk will likely prevent its coming forward before navigation opens.

Perhaps the primary cause of capitalists not investing in this article is attributable to the refiner sending so much poor Oil forward, and drawing against it at short dates, which, not being fit for export, had to be forced on the market; often at auction to effect sales, at heavy losses. These sales depressed the value of the better Oils, which, in consequence, had to be sold at "under cost" prices, as the inferior Oil was bought up by pedlars, who supplied the local wants of the city, at rates below the first cost of good oil. We particularly caution the Western producers against sending unsaleable Oil to this market; as, we understand, there is an Oil Inspection Bill about to be introduced in Parliament, without which it is impossible to do an export trade. Persons sending forward Oil of inferior quality will be sure to meet with heavy losses; and judging by the late reports from Europe of the superior value of good Canadian Manufactured Oil over American, as regards durability, we are of opinion that those who forward a fine article are pretty certain of finding ready sale, at remunerative prices. Our present quotations are from 33c. to 40c. per gallon, barrels included.

High Wines.

The market is quiet and steady. A good consumption demand, and prices unchanged. Best Upper Canada, $82½ to 85c. per gallon.

ABOUT WEIGHING ASHES.

REFERRING to Pot Ashes, a Colborne correspondent (D. T.) writes complaining of the constant discrepancy between his own weighing and that of the Montreal Inspectors. He says: "Yesterday I received bill of sales of nine barrels, and found a loss of weight of one hundred and seventeen pounds. There must be something wrong. Pot Ash after being barrelled up will weigh as much a year hence as it will at the present. I would be obliged if some one would give some information respecting so great a loss of weight. It may be said that I do not weigh my barrels correctly; but it would be impossible for me to make a mistake in the weighing of every barrel."

As we have heard several persons making similar complaints, we have taken the trouble of applying to the Inspectors for an explanation of the matter. They have very promptly furnished us with the following extract from their book, showing the weights of the nine barrels referred to above:

"D. T. C.

No. 7, 694 lbs. weight, 94 lbs. tare; No. 8, 716 do., 85 do.; No. 9, 645 do., 88 do.; No. 10, 726 do., 87 do. First Sorts; inspected 7th February 1865.

No. 11, 675 lbs. weight, 87 lbs. tare; No. 12, 676 do., 94 do. First Sorts; inspected 13th February, 1865, and weighed in presence of D. T.'s agent, who saw a deficiency of 7 lbs. per barrel.

No. 13, 691 lbs. weight, 88 lbs. tare: No. 14, 693 do., 80 do.: First Sorts. No. 15, 695 do., 89 do.: Second Sorts. Inspected 28th February, 1865."

There is always an allowance of 2 lbs. per barrel for draftage. The Inspectors add: "Our scales are verified regularly two or three times each week, and we are certain they are perfectly correct. The only way in which we can account for the discrepancy is the supposition, amounting almost to a certainty, that Mr. T.'s weighing apparatus must be faulty."

We hope this explanation will prove satisfactory to all of our readers who are dissatisfied with the Inspectors' weighing. It is not the interest of the Inspectors to reduce the actual weight of the Ashes, but the contrary.

DRUG TRADE.

Lymans, Clare & Co. (See page 103.)

WE have no change to note, as the trade this winter has been limited. We believe the market has never been better supplied than at present. Large stocks of valuable drugs are held in anticipation of demand for export to the States. The passport system somewhat interfered with this trade. Many valuable articles pay a very high duty in the States; and as they occupy small bulk (indeed a pocket-fan would save a large sum in duties), the temptation to avoid the Custom house is very strong. Very few Drugs have been sold this winter for the American market. The Seed trade, which forms a considerable item in the business, will shortly commence. The number of retail Druggists in town has largely increased within the past year. Over thirty establishments have been opened in different parts of the city; and most of them are, we believe, doing a remunerative business.

Leather.

We cannot report any improvement during the week in the leather market; sales are limited by the very moderate demands of manufacturers. The market remains firm, but forms no exception to the general stagnation which seems to prevail in every line of business.

Boots and Shoes.

The Spring business has barely commenced, and orders are on a very limited scale. The business sympathises with the general backwardness of the season; consumption is small, but it is reasonable to expect a change for the better when the market opens for other descriptions of goods. The quantity manufactured this season is exceedingly small, and the bulk of stocks held are of last year's goods. New styles are likely to be firm, but prices cannot be expected to advance much.

Varnishes.

The demand for Varnishes is moderate. The business season is approaching, and prospects are fair. There is considerable competition in this manufacture, and prices are relatively lower here than in New York or Boston, in consequence of a more favorable Customs tariff.