

The low price of lumber, consequent upon a glut in the British market, and the disappointing result of the dairy produce trade are features of the year which prevented its being characterized as an universally prosperous one, while certain industries have suffered from foreign competition. But "some of our important industries," by which doubtless are meant the Dominion Iron & Steel Works at Sydney and the various industries at Sault Ste. Marie, "are now reviving under more experienced and intelligent management." Mr. Clouston's paragraph on domestic and foreign trade is interesting, showing that while our total external trade increased to \$454,642,000 in 1904 from \$450,040,000 in 1903, the export of domestic products declined in value sixteen millions, while our imports rose by over seventeen millions, making a loss in balance of trade of more than thirty-five millions. This circumstance, however, is offset by the capital brought in by immigrants, by investments of American and British money in our lands and water-powers, and in other ways.

The country is growing, however, growing rapidly, and we believe not unsafely. The farm, our greatest resource, is doing nobly, our mines are showing improved results, and there was never a time when there were so many industrial projects put forward. It may be that there are somewhat too many of these in certain directions, and that undue haste or excessive capitalization is being shown. But new factories or additions for which there is real need are being erected in many places by our own manufacturers, and we are getting branch establishments erected in our midst by Americans besides. So that if a portion of the many companies now applying for charters prove but flashes in the pan, we shall still have sound industries enough to provide for a vastly increased and legitimate demand. It is very reassuring therefore to find so competent an observer as the executive head of our largest bank declaring that "there is increasing belief that this country has entered upon an era of great and enduring prosperity."

The vice-president's address referred to the higher range of value reached by securities on the stock exchange, and to signs of confidence spreading in the lasting character of the improvement. The facts and figures which he adduces to illustrate the progress of North-West Canada are striking, and an excellent statement of the condition and prospects of different trades is to be found in his "brief summary." A subject which is worthy of all the attention given to it is the trade of Montreal harbor and the condition of the St. Lawrence route, as indicated by the attitude of ship-owners towards that route. The possibility of winter navigation of that great water-way by means of the employment of ice steamers is one that is fitted to create the keenest interest.

THE HOLIDAY TRADE.

At this season of the year the chief feature visible in departmental and many of the smaller stores of a general character is the large quantity of articles of such a nature as to be easily and gracefully given away. The wholesale dealers in many lines report that so far this year the demand for such goods has been more than usually large. Forehanded retailers have of course already laid in their stocks, but by the manner in which orders still come in, it is to be judged that even the most far-seeing have somewhat underrated the call from the public for goods for presenta-

tion purposes; sorting orders continue to arrive from all parts.

It would be almost impossible to mention all the varieties of goods which may be classed under the term of "Special Xmas." Roughly classified, however, they may be said to comprise among dry goods, handkerchiefs, which are always favorites. The popular demand this year seems to be for a quality ranging from good medium, to extra good; the really poor grades drag somewhat. Those put up in boxes of a fancy description are asked for but perhaps not quite to such an extent as usual, and by no means to the exclusion of individual specimens which can be chosen personally according to the taste of the purchaser. Many consumers like to select a few handkerchiefs and then buy a box in which to place them; and for such as these some enterprising merchants keep in readiness a number of pretty boxes from which the customer can choose according to his fancy. Umbrellas are another line naturally in favor for presents, but, while they are shown in the usual large variety, there is no striking feature. To leather goods, such as belts, bags, card-cases, the same thing will apply.

The booksellers have made their preparations for the usual demand which makes itself felt about this time, and very attractive is the variety offered. A good trade is reported, but it seems strange that there is not a stronger rush for books for presentation purposes than actually prevails. Books may easily unite the two qualities, most unanimously in request for the holiday trade, namely, ornament and utility, and combine these two in most convenient shape, and so, while of course thousands of volumes are bought, it seems strange that the number is not doubled or quadrupled. It is said every now and then that the old fashion of sending Christmas cards is going out of date. Perhaps it is, judging from the semi-apologetic manner in which people talk of it; nevertheless, the pretty habit dies but slowly, if the numbers still manufactured and sold are any criterion.

We must not omit to mention, under the present heading, Santa Claus' great offering of toys. The immense number, varying cost, diverse patterns of these preclude description; suffice it to say they are as multiform as ever. One feature which strikes the curious "grown-up" is the fact that an eye to utility, as well as amusement, is this year more marked than usual. In this is to be traced the idea of a serious age that the youngsters may as well take their jam with a pill in it, and that it is never too early to begin their education. Tendencies of the age, too, are manifested in the large number of toys having the automobile or loop-the-loop idea as a basis. Certainly the children make a large factor in modern trade; and catering to their special whims has been done to a greater extent than ever this year.

THE COTTON SITUATION.

The atmosphere surrounding the position of the raw cotton market is gradually clarifying itself. The United States Government's estimate of the present season's crop has now been issued, and is distinctly bearish in its effect. It places the yield at 12,162,000 bales of 500 pounds each, which would be the largest crop on record by about 1,000,000 bales. Last year the Government estimate was 9,962,000 bales, which only proved less than the reality by 50,000. Some authorities believe the crop in the Southern States will approach 14,000,000 bales, while on the other hand the New York Journal of Commerce, a reliable authority,