

firm market for River Plate cargoes of bones, £5 being required for United Kingdom or Continent; but in February the value fell to £4 15s., and in April a large cargo to arrive was sold for £4 10s. In May, however, the United States have come in as a large buyer for summer and autumn shipments; price was again advanced to £5 for shipment, though an April cargo was subsequently sold at £4 16s. 3d. Since then values have steadily advanced, to £5 in July, £5 5s. in August, £5 7s. 6d. in September, £5 8s. 9d. in October, and £5 11s. in November, for United Kingdom or Continent, the United States all the time paying rather more and securing the whole of the River Plate supply, as well as several thousand tons Mediterranean. United Kingdom has had to depend largely on East Indian crushed bones and bone meal. Prices of crushed bones have ranged from £4 6s. 3d. in March, for autumn shipment, up to £5 10s. on spot in December, the latter price being now nearest value in any position. East Indian bone meal opened at £5 in January last, falling as low as £4 12s. 6d. on spot in March, under pressure of heavy arrivals. For shipment, however, the lowest price touched was £4 17s. 6d. in April, since then it has gradually advanced to £5 12s. 6d., delivered Thames, Mersey or Clyde—closing value. It should be remarked that speculators have got hold of the bulk of supplies for shipment December forward, but still we do not think that prices have been so far unduly forced, having regard to the present values of mineral phosphates and the very large United States requirements of phosphatic manure material.

“Turning to nitrogenous material, nitrate of soda claims first attention. A year ago this article stood at 11 s., which price was practically maintained up to March, thanks to the skilful manipulations of shippers and speculators who contrived to delude buyers into the belief that there was bound to be a scarcity of supply for the spring demand, though by the end of June the visible supply had increased within the twelve months no less than 100,000 tons. The movement, however, collapsed at the end of March, under pressure of figures, and by the end of May 8s. 4½d. was touched, a price quite as high as was warranted by the figures. Since then the spot price has varied from 8s. 3d., end of October, 8s. 9d., end of November, when it was stated that three-fourths of the nitrate works would be stopped throughout December. There has been no stoppage, however, and the close of the year finds us again at 8s. 4½d., and with an increase of visible supply within the twelve months of something like 150,000 tons. So far as can be seen, the prospects of nitrate were never more hopeless, and only an actual stoppage of production over a considerable period, or a material curtailment of the output all round, can save the market from a further serious decline. There can be no question that the capacity to produce has been enormously increased within the last few years, owing to the formation of limited companies out of the old private concerns, and the consequent introduction of larger capital and better appliances. It recently transpired that one of the leading companies had, within the last two years, increased its output capacity from 150,000 quintals per six months to 280,000 quintals, and if the other companies have increased theirs in anything like the same proportion, what has been said above only becomes the more evident. No doubt a low price for nitrate will stimulate the consumption, but it must take a long time before it can meet the present output capacity.

“Sulphate of ammonia has apparently not been influenced by nitrate of soda at all, but actually, I think it has, and that the influence of nitrate has been counterbalanced by that of extreme scarcity and relatively high prices of all other kind of nitrogenous material. The present price of sulphate works out only to 10s. per unit of ammonia, whereas dried blood is fetching quite 11s. 6d. per unit and Liebig's and other similar meat guanos would find ready buyers at over 11s. per unit of ammonia, so that where sulphate of ammonia can be obtained it is substituted, and I am of opinion that only this cause has saved sulphate from a very considerable decline in value. Superphosphate has maintained a very firm position throughout the year, excepting for a short time in May and June, when, to clear their surplus stock, manufacturers submitted to lower prices, opening with 45s. per ton in bulk F.O.B. at works for 26s. per cent.; that price was maintained until late in May, when as low as 40s. was accepted. The market, however, recovered in August, along with