

"It is to be noted," said Mr. Shepperson, "that the increase in our exports this season over last season is several thousand bales greater than the increase in cotton brought into sight, thus offsetting to a certain extent that depressing item. As the crop has been marketed with great rapidity it may well be questioned if the present increase in receipts over previous seasons will be maintained to the end. Should this gain be held, however, a comparison with last season would indicate a crop of 11,000,000 bales, while only 10,000,000 bales would be indicated by comparing with the season of 1896-7 and about 10,600,000 bales by comparing with the large crop of 1894-95. The weather conditions in the cotton belt since October 1 have been in striking contrast with the remarkably favorable weather of last season for maturing and gathering the crop. Killing frosts were unusually early, being quite general from October 27 to 30, and I think that these frosts and the subsequent frosts curtailed the yield materially. The crop was a late one and therefore more than usually subject to damage in quality and less in quantity by early frosts. Whatever others may think about it, there is no doubt that those who sold good grades of white cotton (middling and above) for December and January shipment have now a very lively realization of the effect of frost and rain on the quality of cotton, for they are finding much difficulty in filling their engagements. My advice leave no room for doubt that high grades are relatively, and at some points positively, scarce, while 'stained' and low grades are plentiful. The frosts which stained so much cotton undoubtedly destroyed an immense number of immature bolls, and thus reduced the earlier promise of the crop. Spinners prefer good grades of cotton much more than formerly, and when prices are low the undesirable growths and grades are almost unsalable. A few weeks ago not a bale of India cotton was reported in the Liverpool sales for the entire week, and the same conditions existed during the great depression in prices in the fall of 1894. The large proportion of low grades in the crop will undoubtedly serve to enhance the value of the good grades and to minimize the depressing effect which large stocks usually have upon prices.

"Latest advices from Egypt are that the Egyptian crop will probably be less than last season by the equivalent of 100,000 to 150,000 bales of our cotton, with an unusually small proportion of good grades. In consequence of the comparatively small quantity of good grades there has been an advance in 'good fan' Egyptian cotton in Liverpool and in Alexandria, between October 21 and December 16, equal to $1\frac{1}{2}$ cents per pound, while the advance in American middling upland cotton in Liverpool during the same period was equal to only 3-16 cent. Some of my friends who deal in Egyptian cotton are confident of a further advance of 1 cent per pound in a few weeks. Is not this suggestive of what might possibly happen for American cotton when the inferior character of our crop is generally known? Estimates differ as to the probably quantity of unopened and opened but unpicked, cotton in the fields when the October frosts occurred. It is probable that the equivalent of about two and a quarter million (2,250,000) bales would be a fair estimate. The most of this cotton has been more or less damaged, as frosts and rains have been frequent in November and December, and a great deal of it is still unpicked. I doubt if very much will be utterly destroyed, and still less will be abandoned. The most of it will doubtless be gathered, but will be of low grade, and some of it will probably serve no other purpose for a long time but to be counted in 'stock,' or to be delivered and redelivered on contracts for 'futures.' I doubt if the crop will be over 1,200,000 bales, and the spinning quality will be lower than any crop of recent years. The visible supply is now the largest on record, being about 800,000 bales more than at corresponding time last year, but only about 200,000 bales more

than in 1894. The consumption of the mills of Europe and America is also larger than ever before, being fully 220,000 bales (of 500 pounds net) per week, and in addition to this we will probably ship an average of 3,000 bales per week to Japan, etc. Europe and America alone are consuming this season fully a million and a half bales more cotton than in the season of 1894-95, and the increased consumption requires larger visible and invisible stocks to be carried. Cotton is to-day relatively the lowest in price of our staple products. I think it is also the cheapest. It is an article of such large and increasing consumption that the volume of business in it will not permit the price to remain stationary. It must fluctuate, and while there does not seem much room for a downward turn there are great possibilities in the other direction.

Stoddard, Haserick, Richards & Co.'s Egyptian cotton market report of January 11 says that during the week the market has shown considerable firmness and advanced $\frac{1}{4}$ c. Their latest estimate of the crop is 5,500,000 cantars, and this estimate is practically confirmed from all sources. The total shipments from Alexandria for the first four months show a falling off of about 50,000 bales.

Foreign Textile Centres

MANCHESTER.—"As usual at this season—the end of the year—business matters have to a large degree been laid down, and social pleasures accorded their place. The prosperity of the past six months has developed a disposition to do this more freely than has been seen for some years past, and has also justified it," says The Textile Mercury, Manchester. "We close the year 1898 under cheerful auspices and with a fairly strong assurance that its successor will open auspiciously; if not on its merits, it will on the engagements handed over by its predecessor. What 1899 may have in store for us, of which no shadow has been cast before nor beam of light projected in advance, it would be idle to predict. If good things, they will bring their own pleasures at the time, and if otherwise the knowledge of trouble will come early enough. The new year commences with a fair margin of satisfactory orders in hand, and prospects are satisfactory and clear, only one small cloud showing on the horizon. This is the revival in the East Lancashire districts of a movement for an advance of wages. At present no one regards it seriously, but there is always the contingency that there may be a change of aspect and character in that respect. We wish all our readers pleasant and prosperous times during the year upon the doorstep of which we are now standing." The Drapers' Record, London, records improvement in the Manchester distributing trade during the past few months. There has been a better feeling as far as heavies are concerned, but the stocks on hand are in many cases larger than is consistent with profitable departmental working. Occasionally happy selections have been made in regard to styles, and this has enabled buyers to regard with equanimity the magnitude of their holdings. In only a few cases, however, is this remark applicable.

LEEDS.—The best worsteds are firm, but the melton trade is dull and slow, being largely dependent upon shipping orders, which are now very scarce. For more than a week there has not been any United States business worth reporting. Makers of army cloths, however, are too busy to stop their mills for more than two or three days.

BRADFORD.—It is quite evident, however, that the prices of all kinds of fine colonial wools, such as merinos and fine cross-breeds, are quite firm, with a tendency in the seller's favor, says The Drapers' Record, and as there have been no cheap lots