

COMMERCIAL.

If groceries are excepted, the fall movement has, as yet, given little indication of commencing, and there is, in consequence, little now to note in regard to the various lines of trade during the past week. A good, brisk movement generally is anticipated, for reports from the country are encouraging in more ways than one. As soon, therefore, as the work of securing the crops is over, the consumer may be expected to turn his attention to laying in his winter supplies. In addition to the favorable crop prospects, the farmer has been drawing increased revenue this year from other sources. In dairy produce prices of both cheese and butter have been and are substantially higher, the aggregate difference being a big item in itself. Then in live stock the returns show that the farmer has come out decidedly ahead, though the shipper in many cases has not been making money. In fact, taken as a whole, the season has proved a very satisfactory one for the agriculturalist, and if he complains, it must take a good deal to please him.

The Finance Minister on 31st ult. explained in the House that there is a commercial treaty between England and France, which will continue in force until 1st Feb., 1892, to be terminated by either party on twelve months' notice to the other. It does not appear to be applicable to British colonies. By this treaty the customs tariff for goods, the produce or manufacture of either country, is to be regulated by the internal legislation of each, they guaranteeing to each other in all other matters in the United Kingdom, France, and Algeria the treatment of the most favored nation. By a French law, promulgated on the 27th February, 1882, it was declared that from that date goods of English origin or manufacture should be liable on their entry into France to the same treatment as those of the most favored nation, with the exception of colonial produce, which, it was declared, would remain subject to the general customs tariff. France has two customs tariffs, one, the general tariff, which is applied to the goods imported from such countries as do not enjoy most favored nation treatment; the other, the conventional or the various special tariffs granted by France to other countries. Corn, live stock, and many raw products not being included in the special tariffs, have to pay the rates of the general tariff, even when imported from countries enjoying most favored national treatment. The conventional tariff rates are about 24 per cent. less than those of the general tariff, and Great Britain enjoys the benefit of the lower tariff by law and not by the treaty of February 28, 1882. This demands the attention of the government. Whatever trade privileges the Mother Country has should be extended to Canada, which would probably do a large trade with France if placed on the same basis as Great Britain. The very idea of Empire involves such a policy.

Some fears having been expressed that there might arise a danger to our cattle trade from the proposal to allow the entrance into Canada of U. S. cattle for purpose of slaughtering and manufacture of products, Mr. Abbott has again explained that the utmost precautions will be taken to avoid risk, as these cattle will be thereby isolated and quarantined. He stated that the British authorities had declared their entire satisfaction with the proposals, as in their judgment no danger would arise. There will be nothing done in this direction until the best experts of the trade are satisfied that the cattle trade is not menaced in any way.

Remittances are coming in slowly, and a good many renewals are asked for, but they may not aggregate more than is usual for this month, which is a busy one for farmers, but a poor one for the receipt of money. The money market here shows no symptom of change as yet, though the fall season is well at hand. This shows that business has not really opened out. In the London open market money is steady at 2½, and the Bank of England rate remains at 2½.

WEEKLY FINANCIAL REVIEW OF HENRY CLEWS & CO.—NEW YORK, SEPT. 5.—The upward movement which started in so energetically several weeks ago, continued to hold full sway during the early part of the present week, the result being another sharp advance in nearly all the prominent shares; but at this juncture the long looked-for reaction made its appearance, and the most successful bull campaign seen for many a day was brought temporarily to a halt, and the bears for the first time in five weeks were allowed to take an innings. When is taken into consideration the enormous advance which has taken place in all the prominent shares actively traded in, it is not surprising that the market should have received a slight setback; but, on the other hand, to have been able to stand the strain of rising in one direction for such a long period, notwithstanding free realizations from time to time, clearly demonstrates the good quality of the market and the good condition of affairs brought about by the wonderful crops with which this country has been blessed. With the almost famine crops which are reported in nearly every country other than the United States, it is interesting to compare the figures of our last year's crops with the estimated figures for this year's yield.

	1890	1891	Increase.
Corn.....	1,189,970,000	2,040,000,000	550,030,000
Wheat.....	399,262,000	585,000,000	185,738,000
Oats.....	523,621,000	709,000,000	176,379,000
Rye.....	27,140,000	29,000,000	1,860,000

The result is highly gratifying. We have in round numbers, taking the cereals combined, 914 million bushels more than last year, this gives us an exportable surplus of 225 million bushels of wheat, and, in addition, a large quantity of corn. Now turn to Europe and observe the conditions there. With the exception of England, every wheat producing country there is largely deficient in its harvest, and it is estimated that at least 250 million bushels of wheat will be required to cover the shortage. Last year the European rye crop amounted to 1,040 millions, while this year the yield will not be over 640 millions. That the deficiencies abroad exist as stated

above, there seems to be no reasonable doubt, and, as America is the only country with a large surplus of wheat, Europe must turn to us. Europeans have not been educated to eat our corn, and it has been a matter of comment that our government has never taken any active steps to bring about that result. However, with the large existing shortages abroad, corn will have to be accepted for food, and once the experiment is tried, it is not likely to be relinquished, as corn is much more nutritious than either wheat or rye.

The movement of grain at interior points has been very heavy, the receipts showing an increase of 65 per cent. over last year. The immediate effect of this is seen in the increased earnings of several railroads, whose statements have lately been published, and suggests some idea of what may be expected in the future, when the movement becomes more general. Another promising feature, in fact, the most encouraging sign that has yet appeared, is the announcement that \$2,500,000 gold has been engaged for shipment to this country from the Continent. It is understood that these are special transactions, as the rates of exchange are not yet low enough to admit of gold being imported at a profit. It will be remembered that a great part of the gold recently shipped from this country was taken from us under what was termed 'special' transactions. It is highly gratifying, therefore, that the first consignments of the return flow should come back to us under the same heading. These 'special' transactions will probably favor us from now on, and it is expected that the movement to this side will receive a fresh impetus soon, as foreign exchange is becoming heavier each day, and, if continued, will soon be at the gold importing point. Under these circumstances it is not unreasonable to expect that, if not the whole, at least the greater part of the precious metal which was taken away from us will soon find its way back again to its natural resting place. The money market during the past week has shown signs of working a little closer, the rates for demand loans one day having advanced to 6 per cent., while time loans command the full legal rate for nearly all dates. This is but natural at this time of the year, as the currency movement is always against this centre, owing to the urgent demand for money to move the crops. Still, there seems to be no grounds for uneasiness on this score, as the imports of gold, which are expected to continue, will be apt to check any tendency towards stringency in money. The rates this year are in marked contrast to the high rates which ruled a year ago, when call money was quoted at a premium of ½ of 1 per cent. per diem and interest—equivalent to 188 per cent. per annum.

Taking the situation as a whole, it is certainly favorable to an ultimately higher range of values; but there are several things on the surface which may retard for the time being any further pronounced upward movement, and which it will be well not to lose sight of. Another thing to be watched is the statements issued by the Bank of England as having a bearing on the future conditions of affairs across the water. This week's statement shows that the proportion of reserve to liability has declined from 45.77 last week to 45.28 this week, and that the decrease in the reserve for that period amounted to £395,000. These figures in themselves have no especial significance, as the reserve is still slightly above last year; but it should not be forgotten that the Old Country will soon be called upon to disgorge a large amount of the gold which she so ruthlessly took from us, and when that happens her reserves will naturally decrease. In view of this, the Bank of England's governors are likely to advance their rate of discount soon, which will naturally have the effect of making money dearer abroad, and consequently more difficult for the foreigners to carry our stocks, which at present they have a good supply of. The factor, however, of more importance than any other at the present time, as it is the one calculated to do the most mischief if developed, is the cold weather in the North-West, which seems to be moving in several directions and which may yet do serious injury to some portions of the corn crop, as it will be two or three weeks before all corn will be out of danger from frost. As before stated, the situation, as a whole, has a promising look for the future. But while these somewhat uncertain factors are hovering over the market it will be well to move cautiously, and when good profits make their appearance it will be advisable to secure them. The market is likely to show more activity from now on, especially as the leading bears will soon be home to take a hand in the game. Good opportunities, therefore, will be afforded for quick turns."

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

	Week Sept. 4.	Prev. week.	Weeks corresponding to Sept. 4.			Failures for the year to date			
	1891	1891	1890	1889	1888	1891	1890	1889	1888
United States.....	178	166	141	143	157	6933	6938	7746	6878
Canada.....	17	21	25	25	22	1221	1105	1101	1178

DRY GOODS.—In dry goods there is more activity, and quite a number of buyers are visiting the city giving new orders and increasing those already given to travellers. It is expected that exhibition week will largely increase these numbers, and that then a really brisk movement will be inaugurated. Travellers are again preparing to go out largely with a view to meeting such of their friends as may be going to the St. John exhibition, which antedates ours by a week. Prices continue firm and unchanged. In retail stores a very good business is doing with excellent prospects for enlargement as the season advances.

IRON, HARDWARE AND METALS.—The past week has been a dull one in iron and hardware circles. In pig iron trade is extremely quiet when all the promising conditions that are in everyone's mouth are considered. Advices from Great Britain speak of a moderate demand, while prices have a weak tendency. There is nothing doing in bar iron, and prices remain precisely as before under a quiet jobbing business, though they would undoubtedly be cut in the case of a round order. Tin, terne and Canada plates continue in small supply and prices are firm, though little is actually doing in them. There is little change in the position of lead and copper, a

quiet for the moment. New York. But unchangeable, but buyers of stock business quiet demand reports. Chicago. West, as is as yet York and Milwaukee. The M can be assume estimate rye, and the most after the market. Europe for a present on this and the ago, the stock bushels available. is calculated if the seems to side and in any Canada. Pro prices a meats. Chicago there for. But seem arriving though received packed however exportance of have been packing firm the being but at ruling has cut good, a have been moderate be made cut out cheese. Che prices a fore, it The pre markets quiet, a they we and age time last. For hard to run of have particularly are certain London complaint and bro whose a summer the Trade department damaged yet the