

	1888. Tons.	1887. Tons.	1886. Tons.	1885. Tons.	1884. Tons.
Imports ...	2,213	723	449	219	1,012
Deliveries ...	1,949	701	566	630	1,016
Stock ...	303	48	25	142	583

From the 1st January to the 30th April, 1889: Imports, 1,338 tons; deliveries, 1,339 tons; stock, 302 tons.

Enclosure 3 in No. 4.

MESSRS. REDFERN, ALEXANDER, and Co. to the AGENT-GENERAL.

DEAR SIR,—

3, Great Winchester Street, London, E.C., 13th May, 1889.

We have now the pleasure of replying to your inquiry of the 7th instant respecting New Zealand hemp, and we trust the following information may be of some interest to you:—

The recent rise in the price of this article has been brought about by the demand for twine which has sprung up in America for binding sheaves by the new machinery instead of using wire as formerly. This led to a great increase in the consumption, and the bulk of the Manila production has, we understand, been absorbed by direct shipments of hemp from Manila to the United States. To make up some of this deficiency the ropemakers in this country have laid in stocks of similar materials—such as New Zealand, Mauritius, &c. The New Zealand hemp has also taken the place of Sisal, of which there has been no supplies for some time, though in previous years there have been some stocks in this market of perhaps about twenty thousand bales.

The market for New Zealand hemp is ruled mainly by Manila, but the fluctuations have not been so great as in the latter article.

In 1888 prices opened at £30 per ton on an average, landed terms, and fell in June to £26 per ton, rising in December to £32. Stock in January, 1888, was 48 tons; on the 1st May, 1888, 126 tons; in September, 1888, 504 tons; on the 1st May, 1889, 303 tons. Deliveries from the 1st January to the 1st May, 1889, 1,339 tons; against same period, 1888, 316 tons. Imports for the 1st January to the 1st May, 1889, were 1,338 tons; against same period, 1888, 404 tons. Prices have been as follows: 1884 (January average), £25; 1885 (January average), £19; 1886 (January average), £23; 1887 (January average), £24 10s.; 1888, (January average) £28 to £29 (average for year); 1889, January–May average £34 10s., and is now £34 15s. on an average of qualities.

The following statistics of Manila may be of interest: Present stock (6th May) in London and Liverpool, 18,500 bales; against 6,100 in 1888. Deliveries since the 1st January, 101,200 bales; against 108,600 in 1888. Afloat to United Kingdom, 12,000 bales; against 43,000 in 1888. Shipments to the United Kingdom this season, 98,000 bales; against 119,000 in 1888. Shipments to the United States of America this season, 105,000 bales; against 70,000 in 1888. Prices in 1888, from January to December, ranged from £28 15s. to £37, rising in December to £45; in January, 1889, they were £56 10s.; they fell in April to £47 and £48, and are now £50 to £51, all c.f.i.

We some time ago heard that the effect of this important rise in the price of hemp has induced numbers of settlers in New Zealand to embark largely in its manufacture, and if present prices continue it will probably be a satisfactory industry; but it remains to be seen how far the market will bear increased production, for with the present high prices we shall doubtless see supplies increase from various quarters, and, as is generally the case, prices will fall to nearly their old level.

We remain, &c.,

The Agent-General for New Zealand.

REDFERN, ALEXANDER, AND Co.

P.S.—We hear that Americans are trying to buy in New Zealand, and we should think there is a likelihood of an important trade being developed by direct shipments from the colony to the United States.

Enclosure 4 in No. 4.

MESSRS. W. BINNIE and Co. to the SECRETARY, Agent-General's Department.

DEAR SIR,—

Dunster House, 9th May, 1889.

In reply to your letter of the 7th instant, we beg to say that the rise in value of New Zealand hemp has been in sympathy with other descriptions, especially Manila, which have advanced in the same proportion. This rise, we believe, has been brought about to a great extent by speculation, both in Manila and in America, which has been stimulated by a larger consumptive demand in the States than previously.

It is impossible to say how long the present values will be maintained, but at present there is no sign of weakness. The effect of it has been to bring New Zealand hemp more into notice, and the business transacted during the past nine months has been very much larger than during any previous period. Most of the rope manufacturers now use it; and it will be the fault of the shippers if the hold it has obtained on our markets is in any way relaxed or lost. Too much stress cannot be laid on the caution which we venture to give—that if badly-dressed hemp is sent, or only partly dressed, the manufacturers will cease to buy it when the markets become dull and prices recede. Of course, when the market is high and firm, any quantity can be sold, but this cannot always be the case; and therefore it is necessary to send it in a state in which it will compete under all circumstances with Manila—*i.e.*, well dressed, with all the straw got rid of, as soft as possible, and even in colour. If this quality is maintained we think the price we could obtain for it would be about £10 under that for Manila, which is much less difference than that at which it has been sold lately. To-day's price for good cleaned New Zealand is £37 per ton.

We are, &c.,

WILLIAM BINNIE AND Co.

Walter Kennaway, Esq., Secretary, Agent-General's Department.