NEW YORK MARKET.

Call loans at New York are firm at 2 to 2½ per cent., the ruling rate being about 2¼. Time loans also are stronger, sixty days, 3 to 3¼ per cent.; ninety days, 3¼ to 3½ per cent.; six months, 4¼ to 4½ per cent. In their Saturday statement the clearing house banks at New York showed increase of $3,250,000 in loans, and an increase of $8,000,000 in cash—the net result being to increase surplus reserve $4,000,000, making it $26,173,750. The banks taken by themselves had a loan expansion of $15,300,000, and a cash gain of $7,600,000. In their case the surplus rose about $3,000,000.

It has been noted that the war clouds in Europe caused very heavy selling of American stocks. Cotton also fell sharply as a result of the European situation; but as regards wheat the war news has produced a sharp advance. The market at Chicago has been excited ever since the news arrived at the end of last week. This development is one having considerable importance for Canadian farmers, and, indeed, for the whole Dominion. The latest crop news from the West is to the effect that in southern Saskatchewan and southern Alberta the wheat is rather badly damaged, but in Manitoba generally and in many important sections of Saskatchewan the results promise to be very good. It has been feared that wheat prices this fall would be discouragingly low and that the circumstance might have an effect in deepening the depression. This new tendency, however, seems to give promise that our farmers on the whole will receive satisfactory prices for what they produce.

BANK AMALGAMATIONS.

(*Continued from page 1069*)

looks on the privilege and powers of the banks as being beneficial to those institutions alone.

With regard particularly to the absorption of the Metropolitan by the Nova Scotia it can be said that it will not greatly reduce the banking competition. The Metropolitan's business is wholly in Ontario, and the Nova Scotia had only lately commenced to spread its branch system extensively over that province. Through the acquisition of the smaller institution the Nova Scotia now gains a very good footing in Ontario. In this respect the transaction has considerable similarity to that by which the Commerce acquired the Eastern Townships Bank It can be taken as a move by a bank which is well represented in the other parts of the Dominion to establish itself firmly in a province where its representation has been comparatively weak. There is, however, some elimination of competition in Toronto and Hamilton. In those cities the merchants and other business men will have one bank less than heretofore to apply to for loans—that is to say, the circle of possible lenders is growing smaller. Apart from Toronto and Hamilton the branch systems of the two banks do not overlap, and there will be no occasion to close offices unless they are unprofitable. Many of the Metropolitan's branches are located in small villages where presumably the business consists chiefly of deposits. The Nova Scotia branches in Ontario, on the other hand, are nearly altogether in the larger towns and cities; so the acquisition of th Metropolitan's business serves to complement or fill out the business of the Nova Scotia in this respect.

The price paid for the Metropolitan's stock indicates clearly enough that the affairs of the bank were in prosperous condition; the Bank of Nova Scotia would not give a price 20 points or so above the market if they did not consider the assets of the Metropolitan to be sound and healthy. In carrying out the amalgamation there will apparently be no change, or very little change, in the paid up capital of the banks as a whole. The shareholders of the Nova Scotia will be required to take up about $500,000 of new stock to provide the cash portion of the consideration; and the Metropolitan stockholders will receive another $500,000 of Nova Scotia stock to balance the account.

THE DOMINION BANK.

The statement of the results of the business of the Dominion Bank for the six months ending June 30th, 1914 after deducting charges of management, etc., and making provision for bad and doubtful debts show profits of $473,969. The balance of profit and loss accounts 31st December, 1913, was $647,688. Premium received on new Capital Stock $182,812, making a total of $1,304,470 which has been disposed of as follows: Dividends, 3 per cent 1st April and 3 per cent. 1st July, $355,324; transferred to reserve fund $182,812; balance of profit and loss carried forward $766,333.

The paid up capital of this conservatively managed Bank now amounts to $5,994,157, with a reserve fund of $6,994,157.

MARINE INSURANCE LOSSES.

The losses suffered by marine underwiters during June amounted to £351,000. This estimate refers only to vessels of 500 tons gross and upwards. The total for the last six months is calculated at £2,738,500 which compares with £3,619,000 in the corresponding period of last year.

There were 2,990 accidents of all kinds of which 1,026 were collisions, 785 were strandings and 579 consisted of weather damage. No less than 132 ships totalling 259,692 tons gross were totally lost. Underwriters are again agitating for higher premiums particularly for liners which lately have seemed particularly liable to accident.