

# The Chronicle

Banking Insurance and Finance

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F. WILSON-SMITH,  
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ARTHUR H. ROWLAND,  
Editor.

Office:

406-408 LAKE OF THE WOODS BUILDING,  
10 ST. JOHN STREET, MONTREAL.

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## THE WHEAT OUTLOOK.

The great strength of the wheat market has again commanded much of the attention of our financial interests this week. Further sharp advances occurred in the course of which No. 1 Northern sold at over \$1.64 on the Toronto Exchange. Quotations for cash wheat in Winnipeg were practically at the \$1.50 level. It is said that there is an eager demand from abroad for all the available supplies. For example, on Monday New Zealand had an order in for 1,000,000 bushels, and London is consistently a heavy buyer. These extensive jumps naturally have stirred up the speculative spirit afresh. Some authorities state that wheat prices may very easily rise to the \$2 level before the next crop is ready.

### MILLING COMPANIES' POSITION.

In connection with this subject it is to be noted that some of the large Canadian flour milling companies have probably made very fine profits out of purchases made by them last fall. A considerable quantity was taken by the millers at around 90 cents per bushel. In view of the special conditions created by the war it is altogether likely that the big companies would buy and hold as much as possible. On such stuff as was purchased at 90 cents there is now

a good clear profit of 50 cents per bushel. In case of 1,000,000 bushels thus bought and held the profit would represent the enormous sum of \$500,000.

### FARMERS AND CONSUMERS.

The other side of the question is seen in the jump in bread prices. This bears heavily on the poorer classes and all who have difficulty in finding work. While the development greatly increases the troubles of those residing in cities and towns, it is of course hailed in the country districts as a tremendous benefit for Canadian agriculture. We may be sure that every farmer, east and west, is eagerly watching the newspaper reports of wheat prices, and planning to have the greatest possible number of acres planted to wheat in April or May. It is a safe guess that wheat will this year displace other grains and products from the fields to a very considerable extent.

### THE OUTLOOK.

The present outlook is that the high prices will continue in evidence throughout the whole of 1915. However there are two contingencies which may have a tendency to check further rises in price. One is the Argentine deliveries. The Argentine Republic has just harvested a very large crop, and the European purchasing agents are very busy down there just now. The prosperity of the agricultural industry in this South American Republic must be very great indeed. The other contingency is the forcing of the Dardanelles by the Allies. It is well known that Russia has a big harvest of wheat, at present bottled up. If the war developments in the near future should be such as to permit Russia to send her wheat freely into the Mediterranean and on to British and French ports, the circumstance would make the buyers in these two countries less dependent on American supplies.

### BUSINESS IMPROVEMENT.

It is possible to detect already some business improvement arising out of the high prices for our staple products, and doubtless as the spring advances further improvement will be in evidence. There is not much change of importance in connection with the military operations. The general public is rather losing interest in the news of the minor gains and losses chronicled from day to day by the press. These are passed by rather impatiently, as every one has a strong desire to hear of some decisive German defeat. News of this character may, however, be delayed until the preparations for the spring campaigns are complete in all details. Probably the ability of the German war machine to withstand general assault on a large scale will be severely tested before midsummer.

### THE MONEY POSITION.

Call loans in Montreal and Toronto are nominally unchanged at 6 to 6½ p.c., but there is a relaxing tendency in evidence, and it would not be surprising