

There has been practically no change in home money rates. Call loans in Montreal and Toronto are 6 to 6½ p.c.; and mercantile paper is discountable for necessary purposes at 6 to 7 p.c.

EUROPEAN MONEY.

Bank rate at London is 5 p.c., and in the discount market 3 to 3½ p.c. is quoted. Call money is 1 to 1¼ p.c. The Bank of France quotes 5 and the Imperial Bank of Germany, 6 as heretofore; in the Paris market private discounts are 4, and in Berlin they are 6¾. The authorities in Berlin are meeting the crisis to quite a large extent through issuing huge amounts of inconvertible bank notes, such increases in the paper circulation not being represented by corresponding or proportionate increase of the specie reserve. So before very long we shall likely have an opportunity to see the results of a policy such as W. F. MacLean and the *Toronto World* advocate for Canada.

NEW YORK POSITION.

Call loans in New York are 6 p.c. Time money is also quoted at 6, but a few loans were made at 5¾. The Saturday bank statement showed a further small improvement in the reserve position of the clearing house banks. Taking all members the loan contraction amounted to \$12,500,000, the cash gain was \$1,700,000, and the note circulation decreased \$12,100,000. The net result was an increase of just about \$1,000,000 in the surplus, bringing the item up to \$15,914,550. In case of the banks alone the loan contraction was \$11,900,000, cash gain, \$600,000, and increase of surplus \$163,500. It is said that the clearing house certificates throughout the United States are being rapidly retired. A despatch to the *Evening Post* towards the end of last week intimated that in Chicago there were then less than \$15,000,000 outstanding. The American bankers are making an effort to clean up these certificates before the federal reserve banks open on November 16th. If these certificates are cleaned up the way would be practically open for the resumption of cash payments.

An official return shows that 502 oil companies, with an aggregate of capitalisation of \$383,005,000, have been formed in the province of Alberta—the majority during the present year. The Provincial Secretary states that no legislation has been prepared to prevent the over-capitalisation of these companies. Some of them, we suggest, would be over-capitalised at five dollars.

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The London Guarantee & Accident is issuing at par 50,000 five per cent. cumulative preference shares of £1 each, representing one-half of the remaining unissued capital. "The rapid growth of the company's business, accompanied by an increase in the amounts required to be deposited as security in accordance with the laws of those countries in which a considerable portion of the business is transacted" is stated to be the reason for this increase of capital.

THE DOMINION TRUST'S FAILURE.

It would be useless to blink the fact that the failure of the Dominion Trust Company, of Vancouver, is likely to do a certain amount of harm to Canadian credit abroad. British and European shareholders are reported to hold nearly \$400,000 of the Company's stock and shareholders in the United States about \$250,000 and it is fair to surmise that for a considerable proportion of these holdings a substantial premium was paid. An eight per cent. dividend had been regularly paid recently up till the current quarter, when an intimation was sent out by the late managing director, a few days before his death, that in order to conserve the Company's resources it would be passed.

A THOROUGH INVESTIGATION WANTED.

The last statement of accounts to December 31, 1913, showed a net revenue for the year of \$223,527, the 8 per cent. dividend absorbing of this about \$165,000. The balance sheet at the same date showed assets of \$5,416,456, a paid-up capital of \$2,167,570 and a reserve of \$800,000. Cash in hand and in banks was at December 31, \$177,346—an item which is particularly interesting in view of rumours that recently there were times when the Company's cash resources did not exceed a thousand dollars. Too much attention, however, need not be paid at the present juncture to this and similar items of newspaper gossip regarding the position of the Company. What is required is a thorough and impartial investigation into its affairs in order that the way may be found in which a Company that was apparently flourishing and was held generally in good reputation should have gone so far wrong. Judging by the proceedings which have thus far taken place in the British Columbia courts, this thorough and impartial investigation will be secured. The Chief Justice has definitely stated that he will not appoint a nominee of the shareholders or directors as liquidator and is continuing for the present, Mr. C. R. Drayton as provisional liquidator, he having been appointed to this position originally at the instance of a depositor.

A WARNING TO OTHER TRUST COMPANIES.

While in a case of this kind, the interests of depositors and creditors naturally take precedence over those of shareholders, it is to be hoped that cognisance will be taken also under the peculiar circumstances of the present case of the interests of the latter. How they will come out as a result of the liquidation cannot, of course, at present be stated, but those abroad and in Eastern Canada who invested very large amounts in the undertaking in perfect good faith on the understanding that it was conducting a legitimate business on conservative lines are certainly entitled to the satisfaction of knowing how and by whom their money has been wasted, if indeed it proves that the Company's capital has either in part, or wholly been dissipated. It seems probable enough that heavy losses have been incurred