

FOREIGN MONEY.

Call money in London declined further to 1 p.c.; short bills are 2 $\frac{7}{8}$ to 3 p.c.; and three months' bills, 2 $\frac{7}{8}$ to 3 p.c. Bank of England rate is 5 p.c. The Bank of France still quotes 5, and the Imperial Bank of Germany 6 p.c. The market rate in Paris is 4, and in Berlin 6 $\frac{3}{4}$. It is to be noted that the official bank rate at Vienna is 8 p.c. This serves to indicate the chaos prevailing in the Austrian financial centre.

Call money at New York is growing more abundant—the banks and trust companies increasing their offerings. Call loans are 4 $\frac{1}{2}$ p.c. Time money also has been in greater supply. Rates are from 4 $\frac{1}{2}$ to 4 $\frac{3}{4}$ p.c. for all periods from two to six months. An interesting feature of the New York money market this week was found in the re-establishment of the "money crowd" on the floor of the Exchange. The changes reported in the clearing house statement on Saturday were: loans, increased \$7,900,000; net demand deposits, increased \$15,300,000; net time deposits, increased \$2,600,000; note circulation decreased \$14,300,000; reserve in own vaults, decreased \$2,800,000; reserve in Federal Reserve Bank decreased \$340,000; excess reserves, decreased \$5,400,000.

CHEERFUL NEW YORK SENTIMENT.

The clearing house institutions at New York now have reserve in their own vaults, \$347,700,000; in Federal Reserve Bank \$95,700,000; and in other depositories, \$25,450,000—the aggregate reserve being \$468,800,000; and the excess reserve, \$132,420,000. The sentiment on the stock exchange has been cheerful during the week. One reason for this is that the predictions of decidedly unfavorable developments in connection with heavy selling of securities on the reopening of the bond market have not materialized. Also the buying of bonds by investors has shown a satisfactory increase. The American cities where clearing house loan certificates were

issued in August are rapidly retiring the issues, and it is expected that the entire issue of such certificates will be cleared off by the end of the year.

CANADIAN BANKS AND THE NEW WAR LOAN.

Referring to the Canadian banks' subscriptions to the new British war loan, a Toronto correspondent points out that the eligibility of these bonds for special loans at the Bank of England, at a rate one per cent. below the market rate of discount, is an important consideration for the Canadian banking institutions. In the first place, they are able to borrow the money from the Bank of England to take up their allotments, if they wish to do so; but the current impression is that the Montreal and Toronto bankers will not lean heavily upon the big British central bank for this purpose. They realize clearly that the hands of the British authorities will be strengthened to better effect if they pay their subscriptions in bills of exchange or actual money—however, some of them may need to borrow to a certain extent at the outset.

The war bonds will be exceedingly useful for other purposes. The Canadian banks are accustomed at all times to carry a certain amount in British consols. India Government stock, Dominion Government bonds and such gilt-edged items, with the idea of pledging them in London as cover for finance bills and other sterling drawings from New York and Canada. As the new bonds have the special feature of being acceptable at the Bank of England at a substantial reduction from the market rate of discount prevailing in London, they will be very good to hold, and they should facilitate the sterling transactions conducted by the Canadian banks in New York. The banks are assured of a little more than four per cent. on their investment—for fourteen years if they wish to hold that long—and at the same time can depend on realizing at a couple of hours' notice at any time.

ABSTRACT OF THE BANK STATEMENT FOR OCTOBER, 1914.

(Compiled by The Chronicle).

	October 31, 1914.	September 30, 1914.	October 31, 1913.	Month's Change.	Year's Change.
LIABILITIES.					
Circulation	\$ 123,744,682	\$ 120,365,786	\$ 118,234,359	+\$ 3,378,896	+\$ 5,510,223
Demand deposits	348,732,830	348,284,206	389,856,507	+ 448,624	- 41,123,677
Notice deposits	659,806,682	658,401,501	621,511,207	+ 1,405,181	+ 38,295,475
Foreign deposits	90,866,894	100,981,564	100,892,180	- 10,114,670	- 89,384
Total liabilities	1,328,854,020	1,328,255,074	1,328,497,371	+ 598,946	+ 356,649
ASSETS.					
Specie	\$ 62,228,400	\$ 65,562,226	\$ 44,386,542	-\$ 3,333,736	+\$17,841,948
Dominion Notes	121,023,100	110,688,842	90,111,738	+ 10,334,258	+ 30,911,362
Deposit in Central Gold Reserve	13,000,000	10,950,000	7,373,977	+ 2,050,000	+ 5,626,023
Securities held	103,963,592	104,274,741	106,437,013	- 311,149	- 2,473,421
Canadian call loans	70,201,939	70,063,414	71,118,255	+ 138,525	- 916,316
Foreign call loans	81,201,671	89,521,589	93,346,810	- 8,319,918	- 12,145,139
Canadian current loans	816,623,852	826,514,621	862,313,367	- 9,890,760	- 45,689,514
Foreign current loans	42,040,716	41,347,231	58,171,884	+ 693,485	- 16,131,168
Loans to municipalities, etc.	47,316,076	44,338,873	37,846,369	+ 2,977,203	+ 9,469,707
Total assets	1,577,919,069	1,577,927,202	1,575,550,980	- 8,133	+ 1,368,089