

on the smaller producers. The principal companies have decided to restrict production both of iron and steel, as the prospect is, that the consumption is likely to be much further reduced. As a blast furnace must be run to its full capacity or put out, and, as rolling mills cannot be worked to a profit on short time, these companies which intend to keep their plant in operation are proposing to capture the British market by low prices, being satisfied if they can place their surplus stocks abroad at figures to cover cost. Do these conditions indicate that the tide of trade prosperity is on the turn? We do not think so. The iron trade was "boomed" last year until production far outran the consumption likely to be maintained. The railways in 1897 had a disastrous time; they were compelled to let their rolling stock and road-bed run down. In 1898 their earnings sprang up to \$57,440,505 over 1897; and in 1899 they rose still higher. They therefore spent freely in renewals, which consumed an enormous quantity of iron. In 1899 there were 469 locomotives and 49,742 new cars added to the railway plant in the States. The sudden outburst of prosperity sent prices up to extravagant figures; production was developed to secure the high prices; but the demand slackened after the first rush caused by good times. What is now happening is, we submit, not a recession to a time of depression, but a settling down to more stable conditions, free from the "boom" element of 1899, which, as we have shown, culminated in February last. A large number of rolling mills are not running to-day, not because the demand has collapsed from reduced trade in other commodities, but simply owing to the disorganization of prices awaiting the action of the leading firms of the trade. In 1867 somewhat similar conditions existed in England. High prices had caused numerous mills to be opened; their competition was obnoxious to the larger firms, who combined to wipe them out by putting down prices. When this policy had done its work, prices were put back to high figures, and, although a number of firms were ruined, the iron trade went on flourishing. The iron trade then, although, as a general rule, a good trade barometer, is not an infallible one, for it is occasionally depressed by what is a mere passing cloud, as is the case at present.

THE VALUE OF MONEY AS INDICATED BY ENGLISH MUNICIPAL SECURITIES.

A comparison of the prices of the leading municipal securities issued by English corporations as they stood a few years ago and at the close of 1899, compared with the latest quotations to hand, shows a striking change in the value of money in the periods covered by those dates. The drain of money to new enterprises and for converting private firms into joint stock companies has taken an enormous sum of money

out of the market. The total offered for subscription in the last five years and up to 1st July this year were as follows:

	\$		\$
1900.....	492,800,000	1897.....	786,450,000
1899.....	665,500,000	1896.....	764,000,000
1898.....	750,800,000	1895.....	523,450,000

When the sudden rise took place in 1896 in this movement, and continued up to 1898, there were fears very generally entertained that the result would be a financial crisis, possibly a panic. But the expansion of business, as shown by the increased foreign trade, has been so great as to have found remunerative employment for the flood of new capital poured into the channels of industrial enterprises, and has taken sufficient money from the securities market to have raised the average rate at which money could be borrowed for municipal stocks. We select a few of these to show the change in prices and returns of municipal securities in England since 1895 and in the last half year:

Municipality.	When Mature.	Rate of Int.	Prices.		Yield.		
			1st July.	1st Jan'y.	1896.	1900.	1899.
Metropolitan.	1929.	3½	108	110	128½	3½	2½
Metropolitan.	1941.	3	100½	104	120	3	2½
Hull.....	.....	3½	116½	121	141	3	2½
Leeds.....	1927.	2½	87½	90½	....	3½	....
Manchester...	1941.	3	98½	103½	116	3½	2½
Newcastle...	1936.	3½	106	110	128	3½	2½
Newcastle...	1915 36	2½	94½	97½	163½	3½	2½
Southampton.	1915.45	2½	89½	95½	406½	3½	2½

In every case where a new issue of bonds has been recently made, even by the wealthiest corporations, the price has been so fixed as to realize at least 3½ per cent. to investors. On these conditions very large loans are being negotiated by English municipal corporations, which indicates a general expectation that there is little probability of money declining in value for a length of time.

NATIONAL ASSOCIATION OF LOCAL FIRE-INSURANCE AGENTS.

The annual meeting of the above Association will be held at Milwaukee, Wisconsin, on August 30th, 31st and September 1st, and members and their friends are requested by circular to communicate with Mr Holmes, secretary, at Chicago, regarding rates of passage and all information required.

CANADIAN BANK OF COMMERCE.

The following changes in the management of branches of this Institution have been made. Mr. D. MacGillivray has been appointed manager at Walkerton; Mr. G. W. McKee, manager at Woodstock; Mr. G. de C. O'Grady, manager at London, Ont.; Mr. D. B. Dewar, manager at Hamilton.