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NEW ISSUES IN FULL SWING

At the great international centres the work of funding the floating indebtedness, incurred during the past year or two, is proceeding with dispatch so far as the issuing corporations are concerned. They are making haste to put their offerings on the market, and they are almost too ready to reduce the rate of interest. Our own corporations are not lagging behind in this matter of taking advantage of the improved market conditions. The Canada Steamships' issue of £1,300,000, one of the latest flotations, apparently did not go very well in London inasmuch as the underwriters are said to have been left with 90 per cent. Some of the British papers say that the business of putting out new securities has gone ahead too fast and that investors are not quite ready as yet to accept the lower rates offered by borrowers.

BRITISH COLUMBIA'S PROSPECTIVE LOAN.

An issue of £1,500,000 by the British Columbia Government is now being discussed in London. It is understood that the expenditures of this province

to meet current expenses and special projects undertaken will exceed the 1914 revenue by about \$10,000,000. Hence the need for financing in London. It will be interesting to note the rate at which the money is secured. This week's dispatches also speak of renewed activity by the vendors of oil and other boom-time shares. It is said that a number of the provincial papers in England are again printing full page advertisements of the stock offerings of these concerns. Such a development is a matter for regret; and it is to be hoped that the British investor will avoid risky ventures of this kind. It will be better for Canada if the British money is directed into sounder and less showy propositions.

Local money market conditions are not much changed although the street continues to evince great confidence in the coming of cheaper call loans. As yet the rate may be said to be $5\frac{1}{2}$ p.c. Commercial discounts are also unchanged at 6 to 7 per cent.; but the bigger borrowers are by degrees paying off the loans bearing the higher rates, and it is safe enough to presume that the average rate applying to the mass of home loans and discounts is falling.

THE EUROPEAN POSITION.

Bank rate in London stands at 3 p.c. In the open market call money is 1 to $1\frac{1}{4}$ p.c.; short bills are $2\frac{3}{4}$ p.c.; and three months' bills, $2\frac{3}{4}$ p.c. Bank rate at Paris is $3\frac{1}{2}$ p.c.; and in the private market $2\frac{3}{4}$ is quoted. At Berlin the Imperial Bank of Germany quotes 4 as against the $2\frac{7}{8}$ p.c. quoted in the private market. The European securities markets have been reactionary this week owing it is said to a slight hardening of the money markets and to vague rumors of friction between Bulgaria and Greece. Also the speculative sentiment was affected by the poor success of the South African and other important loans. There was active competition, too, for the weekly consignment of Transvaal gold. The whole of it, \$2,750,000, was absorbed by the Continent. In the United Kingdom there is a certain amount of uneasiness over the Ulster or Home Rule situation; but the financial markets are evidently proceeding on the assumption that there will be no serious trouble.

NEW YORK SITUATION.

Call loans in New York are quoted at $1\frac{3}{4}$ to 2 p.c., most of the business being at $1\frac{3}{4}$. Time money though easy in tendency has been inactive—rates: sixty days, $2\frac{1}{2}$ to $2\frac{3}{4}$ p.c.; ninety days, $2\frac{3}{4}$ to 3 p.c.; and six months $3\frac{1}{4}$ to $3\frac{1}{2}$. In the Saturday statement the clearing house institutions (all members) reported a decrease of about \$2,100,000 in surplus reserve, which decrease was occasioned by a loan expansion of \$17,250,000 in combination with a cash loss of \$450,000. At the end of the week the reserve stood at \$37,970,000. Apparently the loss of reserve strength is attributable altogether to movements of the trust companies. The banks taken by themselves had loan expansion of \$3,373,000 and a gain of