WINNIPEG SECTION

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Representatives
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WEST HAS GOOD NEWS.

Signs of Disappearing Money Stringency — Wheat Situation.

Monetary Times' Office,
Winnipeg, December 23rd.

Nearing a new year the optimists of the West believe that we are on the verge of the last of the present money stringency. In every business considerable improvement has been evident during the past month. In real estate circles—the mention of which is sufficient to pass a broad grin over the face of the most ardent supporter of the West—matters have been in a much more satisfactory condition during this month. The transfer of a large block on Main Street to an English syndicate round the sum of $180,000 was the chief feature of the week, while several investing agents have received funds from their principals for investment. There is also a good demand for mortgages, and a large amount of investing has been done in municipal debentures yielding a substantial rate of interest.

Insurance Companies Report Progress.

The insurance companies all report business in splendid condition. Premiums have been met in nearly all instances, and the inquiry for loans on policies has never been so great in the history of the West. The fact that business men have been able to borrow as high as $5,000 at 6 per cent. from insurance companies has greatly assisted borrowers to tide over the tight money period.

Manufacturers and business men of Winnipeg believe that the time has arrived when the home industries of the city should receive more publicity, and that prominence should be given to the fact that the agricultural, manufacturing, commercial and financial conditions in Western Canada do not warrant the slightest pessimism as to the future of the country. Desiring that the present money stringency coming on top of a partly frozen wheat crop should not spoil the reputation which the Western "Land of Promise" has earned in the past, prominent men of the city are taking time by the forelock and will make a determined effort to produce an optimistic feeling regarding the future of the city and country by the formation of what will be known as the Community Club.

Five Thousand Members for New Club.

The club will be composed of at least five thousand members, its objects being to compile, record and publish statistics and distribute information respecting the city of Winnipeg and territory tributary to it; to promote the establishment of manufacturing industries and commercial business of all kinds in the city; to investigate and examine the natural resources of Western Canada, and many other matters incidental to the progress of the West; but chiefly to spread the gospel of confidence throughout all parts of the Dominion and abroad. Western men believe that half the troubles which have afflicted Western Canada during the present financial stringency are imaginary, and that it only requires the dissemination of facts to convince intending investors of the great prospects still ahead of this Western land and of its great natural wealth still undeveloped.

Notes of the Wheat Situation.

Never before have such peculiar conditions prevailed in the leading wheat market of Canada. Prices during the past week gradually advanced until Saturday, when our 1, 2 and 3 Northern sold at 106, 103, and 96, respectively, against 75, 73 and 71 for the same day last year, showing an increase for this year of 31 cents on the higher grade and 25 cents on the lower. After the close of navigation prices considerably firmed, while in all previous experience when that event happened there has been a lack of demand, depressing the market from 2 to 10 cents.

The excellent demand from foreigners has been sufficient to maintain the high price, combined with a good demand from Ontario for feed wheat and other like grades. The world's wheat position is extremely strong, even in face of the excellent expectations from the Argentine. So far there has been no falling off in Western receipts to cause alarm, the average during the past week having been in the vicinity of 275 cars per day, one-third grading 3 Northern and better. The Canadian stocks visible is in the vicinity of 8 million bushels, against 6¾ million for last week; while the Fort William stocks alone are 4½ million against 3½ the previous week, and 2 million for the same week last year, and the increase in receipts at that point were over one million bushels. The oat situation also shows a large visible in comparison with that of last year—1¾ million bushels against ½ million.

World's Wheat Shipments.

The world's shipments from the United States and Canada for the past week were 6¼ million, which shows that there has been no falling off from any of the factors which govern the situation to a certain extent in Canada and the United States. Going further afield, however, there are reasons why at this time of the year considerable decline may be looked for. The United Kingdom and the Continent, who are now observing their Christmas holidays, which usually extend until the beginning of the year, will be largely out of the market for wheat for immediate delivery, and it would not be surprising to see that factor make itself evident during the present week, while the shipments and receipts will continue heavy in the North-West if the weather continues its spring-like mildness.

Undoubtedly the excellent demand for export wheat will relieve Western Canada of carrying any more than she actually requires. Whether there will be sufficient for home consumption and seed is a question of considerably perplexity. There is unquestionably a large amount of wheat still in the country, but at the present rate of shipment we would not be surprised to find ere spring a very different complexion put on our wheat situation. Grain men as well as farmers are of opinion that the Western provinces should protect new settlers and others in the matter of seed, by acquiring several million bushels in the West at the present time, otherwise it might become necessary to haul grain from Fort William to the West during the coming seeding season.

STOCKS MAY GO LOWER.

"It is gratifying indeed to hear the flattering things said in New York of our monetary system," said Mr. D. M. Stewart in an interview with the Monetary Times on his return from that centre. "Matters were much worse in the United States than we here knew. Those in control carefully concealed the real situation; little leaked across to us through the medium of the press."

"Is the danger yet past?" I asked.

"Yes, I think so. But I can tell you this—keep out of the stock market for a while. I may be mistaken, but I think prices are going lower yet."

Brokers versus Bankers.

"You do not consider the recent advance justifiable then?"

"No. The brokers told me it was a legitimate advance, due to investment, but the bankers were not of the same opinion, claiming that it was due to manipulation and shorts covering. I do not say that stocks are too dear. On the contrary, they are very cheap, but, I think, it a bad time to buy on margin. Those who can afford to purchase outright will come out safely, but weak margins are liable, in my opinion, to be wiped out almost any time."

"How long do you think these conditions will last?"

"Perhaps until the spring. There is then apt to be a plethora of money, as those who are hoarding their savings will most probably free it; this will swell the deposits and help make money easier. Other influences ought to contribute to the same end. There is actually a lack of deposit boxes in New York, so great has the demand been for them. Thousands more could probably be rented without difficulty if they were available. Everyone is his own banker now."

Clearing House Certificates.

"What makes you think the market will go lower?"

"Well, among other things, there are about $75,000,000 of clearing house certificates outstanding, and instead of a surplus there is a deficit of nearly $50,000,000 in the legal cash reserves of the associated banks. To get back to normal conditions in these two items alone it would require all the gold the New York banks have imported since the panic. However, conditions are sound I believe, and with the present curtailment of business the situation will improve."

"Do you think Canadian stocks will go down again?"

"Perhaps a little, in sympathy with New York. But the situation is much better here, and is, in fact, quite the envy of the New York financers. Canada has come through splendidly, and, I think, our own stocks are much more satisfactory to hold just now than those of our neighbors."

A by-law providing for the expenditure of $55,000 for a power distribution plant will be submitted to the Brantford ratepayers in January.