

## Prominent Topics

### New York Markets.

On Thursday of last week came a turn in the tide from Wednesday's low price ebb. That day's slump in stocks resulted from actual liquidation and the absence of support from powerful financial interests--the situation being aggravated by governmental utterances and attitude towards corporations and by the announcement that the Pope company had passed into a receiver's hands. The strengthening of the market towards the week's close seemed due chiefly to more hopeful forecasts as to Secretary Taft's and President Roosevelt's forthcoming utterances at Columbus, Ohio, and Provincetown, Mass., respectively.

Owing to a considerable decrease in loans (due largely to stock liquidation) and to a smaller interior demand for money during the week than had been looked for, the New York weekly bank statement showed an increase of \$1,533,525 in surplus reserves, making a total of \$9,294,078. This compares with a decrease of \$1,170,025 in surplus reserves last year. In the same week in 1905 surplus reserves decreased \$3,491,125.

In 1906 and 1905 the surplus stood at \$7,101,500 and \$9,355,675 respectively at the corresponding week-end.

The raising of the Bank of England discount rate to 4 1-2 p.c. was followed by an advance in New York exchange rates that made possible a resumption of gold exports. On Monday and again on Tuesday gold amounting in all to \$1,000,000 was engaged for shipment to Plymouth, though its ultimate destination was unknown.

Stock exchange trading was without any marked features on Monday, the market closing dull with general losses. For a time on Tuesday the market lost ground owing to the speech of Secretary Taft at Columbus, and the various utterances of the President at Provincetown. The latter made reference to existing financial conditions, and declared with much emphasis that for the balance of his tenure of office the governmental policy with regard to the prosecution of offending trusts and corporations would be unchanged. Tuesday's market strengthened later—chiefly from short coverings.

Wednesday's stock market trading was the smallest in two weeks. The Taft and Roosevelt speeches seemed still to cause some unrest, though some leading financial interests appeared on the other hand to consider them as reassuring. Local money stringency and two commercial failures were depressing factors. Call money was steady with a ruling rate of 2 1-2 p.c. Time loans were very strong; 60 days, 6 1-2 p.c.; 90 days, 7 to 7 1-2 p.c.; six months 7 p.c., Prime Commercial paper, 6 to 6 1-2 p.c.

### Dominion Iron and Steel and Dominion Coal.

The witnesses have been heard (although apparently not everybody that was expected to give evidence was put forward) the arguments of counsel have been made; and the case is now before the judge. There is a feeling that a settlement will be arrived at; it certainly should be, for a majority of those who have studied the case are under the impression that it scarcely comes within the natural scope of the law.

### The Money Situation.

There is not much change apparent in money. There are many, however, who seem to think that there is a perceptible easier feeling. Securities of every description are admitted to be at about the lowest. And when this feeling becomes general there will naturally be a certain amount of purchasing for investment; although it is not anticipated that any very marked change is likely to occur under existing circumstances for some months. The no money cry has, we think, reached pretty nearly its limit.

The crop outlook is of a generally favourable character, but it is not likely that such a large amount of money will be required in connection therewith as last year.

### The United States a Disturbing Factor.

The great disturbing element in the whole financial situation seems to be the United States; which is displaying a degree of instability unworthy of one of the greatest nations and one of the richest countries in the world. The impression is gaining more and more strength with foreign investors that vested interests will not receive more consideration than it suits the United States to give them.

The foreign markets, one after another, seem to have a feeling of hesitancy regarding the United States; whether it be London, or Berlin or Paris; they all seem to point to the United States as being a large element in connection with the disturbance of the financial world. Of course there are many other elements; but this is one for the existence of which there is no valid reason; hence it is more emphasized.

Leslie M. Shaw, formerly Secretary of the Treasury, evidently appreciates the importance of maintaining public confidence. He says:

"Let those who think that times of disaster follow each other at regular intervals bear in mind that this country has never yet experienced a period of severe depression that was not traceable to financial or economic agitation or legislation, and usually to both."

### At Europe's Finance Centres.

Although heavy differences had to be met at last week's London settlement, matters appeared to be arranged satisfactorily and the general tone of the market strengthened towards the end of the week. The Bank of England's rate advance only temporarily checked the upward movement, and consols at the close were quoted at 81 11-16 after touching 80 3-4. Americans, however, after a sharp recovery, declined rapidly on account of unfavorable forecasts of New York bank statement and of Secretary Taft's speech at Columbus.

It would seem that the reluctance of British bankers to accept American finance bills, after last autumn's gold export experience, has diverted a considerable flood of such commitments to private bankers in Berlin. Needless to say, the Berlin situation is not rendered less complicated thereby. Stock trading on both the Berlin and Paris exchanges has been irregular of late, and affected largely by sympathy with Wall Street movements, as well as by home conditions.

Monday found money in moderate demand and fair supply in the London market, with discounts