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THE GENERAL FINANCIAL SITUATION.

Of the $3,500,000 new gold arriving in London on Monday, the Bank of England secured two-thirds and India the remainder. The big English central bank maintains its official discount rate at 3½ per cent. In the open market at London rates are firmly maintained. Call money, 3 to 3¼; short bills, 3⅝; and three months' bills, 3 9-16 per cent. In the Paris market discounts are 3¼ p.c.; and in Berlin, 4¼. The Bank of France quotes 3½, and the Imperial Bank of Germany, 5 p.c. as heretofore.

The coal strike has now definitely spread to Germany, a large number of miners having stopped work in that country. Also the French miners are showing unrest. In the United Kingdom the industrial paralysis is spreading wider and wider; in many important lines Great Britain has ceased to manufacture. Doubtless some of the markets necessary for keeping British machinery in motion will be permanently lost.

It is said that American coal operators have been somewhat disappointed over the results of the English strike. They had hoped to supplant the British coal merchants in a number of desirable markets; and made great efforts to prepare for a large export business. But actual results have not come up to their expectations. The British coal exporters have bought a considerable amount of American coal, ordering it shipped to the Canary Islands and South America—two regular markets for British coal, which as the New York Journal of Commerce remarks "would almost seem to be natural markets for American coal." Then the British Admiralty has purchased a considerable amount of American coal. These shipments and sales would naturally have some effect upon the exchange market in New York. But notwithstanding the credits thus established in favor of the New York bankers, gold has continued to move from New York to Paris and from New York to South America. The shipments of metal are made on order of Paris and London bankers. The transfers may represent recall of French and English funds from the American metropolis, or they may represent fresh investment of American funds in Germany, where interest rules high. The German banking institutions have again been actively seeking loan accommodation in the United States—the approach of the end of March settlement being the special occasion necessitating the loans.

In New York interest rates on call and time loans have tended to rise. Call loans 2½ per cent.; sixty days, 3 per cent.; ninety days, 3¼ per cent.; six months, 3½ per cent. During the week the mercantile demand for credit broadened noticeably; and the circumstance is taken as indicating that commerce and industry are at last showing good improvement. The sentiment regarding the iron and steel industry in particular has become more optimistic. Naturally the improvement in sentiment has had some reflection on the securities market in Wall Street.

On Saturday the New York clearing house institutions reported a heavy loss of reserve strength. Taking all members, the loans expanded $10,871,000, and the cash fell $6,520,000, resulting in a decrease of $6,433,000 in excess cash reserve. After this deduction the excess reserve remained at $16,376,000. The banks taken by themselves had a worse exhibit. Their loans expanded $2,475,000 and cash fell $16,100,000—decreasing the surplus reserve by $10,380,000. The gold exports combined with the movement of funds to the interior for purposes of spring business, account for the loss of cash.

In Canada the money market is not materially changed. Call loans in Montreal and Toronto are still quoted at 5 to 5½ per cent., and mercantile discounts at 5½ p.c. upwards. An interesting development of the week was the announcement that the St. Lawrence Sugar Refining Company stockholders had received an offer of $333 1-3 per share for their hold-