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completion and delivery of old orders, which has been an outstanding factor in this connection, should apparently have some effect shortly, since it is hardly likely that our manufacturers and wholesalers have been ordering very freely during recent months, in view of the trend of commodity prices, and of the tendency to trade re-action which has been accumulating for some months.

With regard to the outlook for the immediate future in Canada, it should be borne in mind that one of the most important factors in recent liquidation and lowered prices, has been the failure of new accumulations of capital to keep pace with demands for capital, and accordingly it is to be expected that business expansion will not be resumed until funds have been made available for such expansion through further liquidation and lowering of prices. Obviously, in this connection in Canada, an important factor is the speed with which the exportable surplus of the grain crop is got out of the country. If it were to be removed out fairly quickly, the probabilities are that next spring would see a considerable amount of funds available for new business expansion in one way and another; if slowly, a resumption of trade activity may be longer deferred. There seems, however, no good reason for doubting the soundness of the widely held view that the period of trade contraction in Canada is likely to be relatively short.

The sliding-down of securities on the local Stock Exchanges to lower levels is, of course, a discounting of the effects of trade re-action; accentuated by the lack of funds for carrying speculative commitments and sundry auxiliary considerations. As regards the pulp and paper stocks, these are technically in a weak position owing to the large floating supply, which has been much added to as a result of the various re-capitalisation schemes of recent months, and is also a result of the enormous scale of the speculation which has taken place during the last year or so in these stocks. So far as the earning power of the various companies is concerned, this is for the

present unimpaired, and while the effect of a pronounced trade re-action in the United States and elsewhere, would probably be to lower the demand for the companies products, with consequent reaction in prices obtained, the fact seems to be clear that the old-established companies at all events, could go on earning pretty good profits with the price of their products, considerably lower than at present. In brief, this group of companies appears to be in a better position than any other local group, to withstand the effects of trade re-action. In view of general conditions, however, the probabilities seem to point to a quiet winter of relatively lower prices in local securities. No pronounced activity, except in isolated cases of special stocks, is apparently likely to be seen until funds become freely available for Stock Exchange purposes.

At the time of writing, there appears to be fair prospects of the miners strike in Great Britain being settled at a comparatively early date. The major consequences of this strike should not be overlooked. A prolonged strike, with its tendency to aggravate the economic situation on the Continent, would undoubtedly give a considerable impetus to Bolshevism, while if the strikers are successful in obtaining their demands, industrial unrest is likely to be everywhere increased, including this side of the Atlantic. A London correspondent puts a little talked of and yet vitally important view of the matter thus: "The cardinal difficulty of the situation lies in the fact, that wage earners have become accustomed to standards of comfort and hours of leisure inconsistent with the ability of the country to support them. At least a temporary economy is essential for solvency, yet it is difficult to perceive how the period of economising and distress will be discounted without serious trouble."

Canalization of the St. Lawrence

The International Joint High Commission to enquire into the canalization of the St. Lawrence, held its third session in the Chamber of Commerce, New York on the 22nd instant.

On that occasion a speaker from Philadelphia, who talked about the proposed canal becoming a source of danger in a case of war with a bordering nation, and who called upon Canada to pay the cost of the project, was brought up sharply by a Canadian member of the Commission, who said that Canada had not asked for this Canal, it had originated in the United States, and that Canada always undertook, as a citizen of the world, to take care of its own affairs. The Philadelphia speaker ended by apologizing for his remarks.