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THE GOLD EXPORT MOVEMENT.

The gold export movement to New York has occasioned considerable discussion this week. Some observers in the financial district fear that it will reach large proportions and that it will have the effect of tightening up the Canadian money markets still further. However, it is very likely that these fears will be proved unfounded. There may be room for doubt or question as to the extent of the gold outflow; but there should be no anxiety as to a further squeeze in money. At the Commerce meeting on Tuesday, Mr. Laird told the assembled shareholders that "we are likely to have an accumulation of idle money in the financial centres, but this will probably not have any appreciable effect on rates for general business for some time to come, because of the depression in all first-class securities, and the difficulty of disposing of the large amount awaiting a favorable market."

CHEAPER CALL MONEY POSSIBLE.

It is probable that the gold export movement largely represents the release of deposits lately held in the central gold reserves. With the redemption of their note issues in January the banks, or some of them, find themselves with free balances in the hands of the trustees; and they naturally wish to put the funds to work so as to earn something. So the shipments of gold obviated to some extent offerings of funds to Montreal and Toronto brokers. There is no doubt that the trade depression is already having tendency to increase the supplies of cash at the Canadian centres; and accepting Mr. Laird's view that there will be no immediate reduction in rates of discount applying to general business, it is within the possibilities that the rates applying to call loans in Canada will shortly be reduced. As yet the quoted rates are 6 to 6½ p.c. for call loans; and 6 to 7 p.c. for commercial discounts. But, under present circumstances, it may be assumed that the brokers will not be much disposed to pay 6½ on any new transactions. The prevailing impression is that the banks have the next move; and many expect that it will be to offer funds at some concession or reduction on present rates.

EFFECT OF SOUTH AFRICAN STRIKE.

As there was no competition for the $3,000,000 new gold laid down in London on Tuesday, the whole remittance passed into the hands of the Bank of England. Bankers and financiers in London have been showing a little nervousness as to the effect of the railway strike in South Africa on the weekly shipments of gold from the Transvaal mines. There is the question of interruption of the railway and express services to consider, also that of a cessation of work in the mines. The general belief is that the preparations made by the Botha Government to maintain order will be effective in overawing the strikers. According to the reports reaching here the Government, in the effort to retrench, reduced the forces of men working on the Government railways. The labor unions thereupon called the strike. In the various parts of the British Empire the course of events in South Africa will be watched with some anxiety.

EUROPEAN MONETARY POSITION.

The Bank of England rate stands at 4½ p.c. In the London market call money is 2½ to 3 p.c.; short bills are 3½ to 3⅝; three months' bills, 3 11-16 to 3¾. At Paris the Bank of France quotes 4, and the private rate is 3¾; and at Berlin the bank rate is 5, as against 3½ quoted in the open market. The release of capital by industry and trade in the various parts of the world is having its effect on the great monetary centres. And quite possibly there will soon be an accumulation of idle money which will make it possible to provide for the refunding and other loans now overhanging the European markets.

NEW YORK SITUATION.

Call loans at New York are somewhat lower—the quotations being 2¼ to 2½ per cent., most of the