

the state of express business, commercial travellers' letters, and other indicators. But there is a hopeful feeling very generally evident, some exceptions notwithstanding.

Last week there was a strong upward tendency of stocks in the New York market, many stocks and bonds attaining the highest figure ever reached. The *Herald* says it was the most wonderful week that ever was known in the history of speculation. Sales of stocks reached the unprecedented volume of 4,263,658 shares. That journal speaks of an "insane desire to buy." The truth is the usual effect of an immense surplus of unemployed funds in the banks is being realized; when people get tired of having their money unemployed, they rush wildly into speculation. Last Tuesday a reaction, not by any means the first that has taken place since this upward tendency began, occurred, and stocks and bonds were lower, and there was a sharp decline in petroleum. The surplus reserve of the New York banks has rather increased, and is now \$12,856,778. There is therefore margin for much future speculation, and it is very likely to take place.

BANKING REVIEW.

The figures of the October bank statement will be found in condensed form below, and are compared with those for the previous month. The statement bears date, Ottawa, 18th November:

CANADIAN BANK STATEMENT.

LIABILITIES.		
	Oct. 1885.	Sept. 1885.
Capital authorized.. \$	74,179,999	\$74,179,999
Capital paid up....	61,671,129	61,636,424
Reserve Funds....	17,784,433	17,784,433
Notes in Circulation	34,576,246	31,334,621
Dominion and Provincial Government deposits....	6,029,262	7,369,320
Deposits held to secure Government contracts & for Insurance Companies.....	664,596	673,611
Public deposits on demand.....	47,608,859	47,114,454
Public deposits after notice.....	50,004,538	51,595,608
Bank loans or deposits from other banks secured...	12,000
Bank loans or deposits from other banks unsecured.	921,361	1,028,538
Due other banks in Canada	2,268,590	1,649,035
Due other banks in Foreign Countries	221,082	97,935
Due other banks in Great Britain...	706,926	685,661
Other liabilities....	157,802	152,863
Total liabilities..	\$143,159,263	\$141,713,644
ASSETS.		
Specie	\$ 6,852,412	\$ 6,826,338
Dominion notes....	12,470,445	12,591,278
Notes and cheques of other banks..	5,325,518	5,707,730
Due from other banks in Canada.	4,153,055	3,375,697
Due from other banks in foreign countries	15,782,180	14,628,590
Due from other banks in Great Britain	3,327,591	5,294,972
Immediately available assets.....	\$ 47,911,201	\$ 48,424,605

Dominion Government debentures or stock.....	4,214,847	1,465,153
Public securities other than Canadian.....	3,142,634	2,950,522
Loans to Dominion & Prov. Gov....	2,497,372	1,976,679
Loans on stocks, bonds or debentures.....	10,969,251	11,522,368
Loans to municipal corporations	2,090,299	2,216,042
Loans to other corporations	14,119,263	16,807,986
Loans to or deposits made in other banks secured....	117,198	154,247
Loans to or deposits made in other banks unsecured..	278,875	533,617
Discounts current..	126,009,264	123,358,018
Overdue paper unsecured	1,741,319	1,915,332
Other overdue debts unsecured.....	18,944	17,470
Notes and debts overdue secured...	2,162,132	2,389,428
Real estate.....	1,399,032	1,397,576
Mortgages on real estate sold	853,012	850,873
Bank premises....	3,297,905	3,291,488
Other assets.....	3,397,427	2,819,866
Total assets.....	224,220,007	\$222,091,270
Average amount of specie held during the month.....	6,812,876	6,829,143
Av. Dom. notes do..	12,473,036	12,536,762
Loans to Directors or their firms....	8,275,057	8,518,625

Money still continues plentiful, and there are no signs of any considerable development either in commerce or in manufactures to cause an increased demand for it. Though there are undoubtedly firms which are doing well and prospering, yet business taken as a whole, is dull and unremunerative. There is no life and little enterprise about it. The severe losses and drawbacks of former years are still vivid in the recollection of all parties engaged in trade. The great cotton factories are certainly doing better than they did last year: so far so good. But it is only by severe economy, close buying, and watchfulness in every detail, that a profit can be made. As to any extension of these enterprises, it would indeed be a vain notion.

There seems no likelihood of any considerable advance, either, in the prices of our leading articles of production and export. Everything is low and cheap. It takes twenty-five per cent. less money to carry on the business of moving our crops of all kinds to market, than it formerly did. In fact the difference is nearer fifty per cent in some great staples. This has not a little to do with the plethora of money in the banks. We should soon see what an effect would be produced on the money market if wheat, barley, cheese, and cattle, were to rise to the prices of a few years ago. There would be another effect undoubtedly, namely, a very largely increased inflow of money when crops were marketed at the increased prices. But, during the present winter, when the crops of grain and other produce are carried in warehouses, it would occasion an increase of many millions loaned by the banks. There is, however, no likelihood of this. The powers of production have for the present overrun the demand. The disciples of Malthus, who some forty years ago, were demonstrating that the population of the world would certainly increase faster than food could be produced, would be rather astonished if they were to

see the production of the present day. How little they dreamed in those times that India would send wheat to England—that California would grow an immense acreage of wheat—that Australian mutton would come across the sea to swell the supply of meat—that cattle in enormous quantities would be sent alive across the Atlantic Ocean from Canada. The immense development in the western regions of the States, and of our own North-West should teach the pessimists of these days a useful lesson, when they are inclined to think that everything is against us and that prosperity will return no more. The putting of the restraints on population which it was the object of Malthus's work to recommend, has had its share in making food plentiful relatively to population. But the existence of abundance of food does not insure everyone's getting a sufficiency.

Our manufacturing interests are not more depressed than those of England are at the present time. The manufactures of England have been depressed more than once before. Indeed the depression in ours is nothing compared with that which has often overtaken the great staple manufactures of England. The time has been when tens of thousands of workmen paraded the streets of towns like Manchester and Birmingham, crying out for the employment which it was impossible to give them. Even during the last year shipbuilding has been at such a low ebb in Great Britain that thousands of intelligent and industrious artisans have been out of employment for months together. But the great manufacturing interests of England invariably revived after a time, and generally became more prosperous than ever. During seasons of depression it was quite common for certain classes of people to say that the days of England's prosperity had passed for ever, that her sun had set, and so on. All such doleful predictions were falsified by events. We have heard the same things repeatedly about nearly every interest in Canada. When lumber was depressed five or six years ago, there were many who said it would never revive again. This city which is now so prosperous, and is advancing with such rapid strides, was supposed by some shrewd observers to have attained its maximum of prosperity more than ten years ago. So little can we foresee what is coming to pass. It is not at all unlikely that a wave of prosperity may set in for our manufactures within a year or two, which may last for a considerable time, and this in spite of such changes in our fiscal system as may be developed by time and circumstances.

Since our former review the last spike on the Canadian Pacific Railway has been driven. There was no fuss about this and no ceremony, but for all that it was one of the great events of the century. No colony of the British Empire ever before dreamed of carrying through an enterprise like this. The very conception of it showed large capacity and boundless faith in the resources of the country. And the execution has disappointed all the sinister surmises of the critics on both sides of the Atlantic. There have been carpers and fault-finders in too great abundance at every stage of this