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INDEX TO PRINCIPAL CONTENTS

	PAGE
Borrowings: Past and Future.....	29
The Rise in Wheat.....	31
Union Bank's Statement.....	33
Fire Loss of 1914.....	35
Paying Premiums Promptly.....	35
I.O.F.'s Investments.....	37
Year's Unfavorable Experience in Fire Insurance.....	39
The "Scrap of Paper".....	40
Ontario's Fire Legislation.....	41
Lumber Insurance Company Retires.....	43
Rating Sub-Standard Risks.....	45
Canadian Fire Record.....	49
Bank and Traffic Returns.....	23

THE RISE IN WHEAT.

This week's large advance in wheat prices at Chicago is of great interest to our farmers. At the beginning of the week prices rose for the first time above the level that resulted early in September, when the war outlook was decidedly dark for the Allies. Owing to heavy buying from Europe, May wheat rose to \$1.36¼ per bushel. Winnipeg prices have also been very strong—No. 1 Northern rose to \$1.29, and the other grades were strong in proportion. Oats also are comparatively high in price—prices being well above the half dollar level. This is a very satisfactory price when it is remembered that an acre of land will produce oats to double the quantity of wheat.

LARGE ACREAGE LIKELY.

These developments in the grain market must have a strong influence on our seeding operations three or four months hence. The farmers will make all possible efforts to put in a large acreage, and there is a possibility that Canada's yield this coming fall will be far beyond the record of any previous year. It is understood also that a very considerable portion of the crop of 1914 remains yet in the hands of our producers. The action of the farmers in withholding deliveries last fall was one of the important factors in pulling down the railway earnings; and the presumption is that any sharp rise, such as that occurring this week, would bring out a considerable amount of grain. It is said that at the high prices sales for export were quite large. The bills of exchange

drawn on Liverpool and other British ports would therefore amount to large figures, and the circumstance would help materially to bring our international exchange situation back to a normal basis.

WAR NEWS SATISFACTORY.

The war news of the week has been on the whole satisfactory from our point of view. The depression caused by the loss of the *Formidable* has largely passed away; and the news of the Russian successes against the Turks in the Caucasus served to brighten the aspect of affairs quite considerably. Hopes of a comparatively early peace are encouraged also by the apparently rapid deterioration of the Austrian forces, which have been severely beaten by the Czar's generals, and the progress made by the French and British in Alsace and Flanders. The preparations for the movement of the half million additional British troops to the Continent must now be far advanced; and it is probably safe enough to presume that already there has been a perceptible increase in the strength of our armies at the front. With Turkey and Austria defeated, a prospect of Italy and Roumania taking an active part against them, the British forces greatly augmented, the French in a most aggressive attitude, and the Russians bearing heavily on them from the east, the outlook for the Germans becomes much darker, and many of them must necessarily be thinking that an early submission would be the best policy to adopt.

THE ANSWER TO THE AMERICAN NOTE.

The British Government is apparently taking its time to prepare the answer to the famous American note. There are indications that the Washington Cabinet is slightly out of touch with the great body of intelligent opinion in the United States in regard to pressing the claims of American commerce in such a manner as to hamper and embarrass the Allies in their great struggle against German aggression, and in regard to the plan for purchasing the German vessels interned in United States ports. Much interest has been taken in Ex-President Roosevelt's outspoken article in the *Independent*, discussing the attitude of the United States Government in connection with the violations by Germany of the laws and principles enunciated at the recent Hague Convention. Mr. Roosevelt usually has a very keen perception of the opinions and attitude of the great body of Americans, and his vigorous statement to the effect that the United States should have taken a more energetic position in defence of outraged Belgium naturally strikes a responsive chord among ourselves.

THE MONEY MARKETS.

Money market conditions in Canada continue to develop favorably. Call loans in Montreal and Toronto are 6 to 6½ p.c.; and commercial discounts, 6 to 7. It is believed that while the banks do not as