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R. WILSON-SMITH,
Proprietor.ARTHUR H. ROWLAND,
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MUNICIPAL METHODS.

A natural effect of the prolonged monetary stringency is seen in the action of one or two of the smaller Canadian cities in endeavoring to dispose of debentures locally. Guelph furnishes a recent instance of this kind. According to news items appearing in the daily press the finance committee of the Guelph city council are endeavoring to dispose of an issue of \$60,000 debentures in lots of from \$100 to \$1,000 among investors living in the city or its vicinity.

DISADVANTAGES OF THIS PLAN.

It is quite true that there are a considerable number of parties in and around any of the old-established Ontario towns and cities who would buy the local debentures if the municipal authorities set themselves earnestly and systematically about the task of developing the market. But it is likely that most municipalities would consider it best to stick to the present method of selling debentures—by means of

bond dealers or fiscal agents. There is considerable trouble and expense in connection with selling bonds and debentures by retail. The returns or proceeds may come dribbling in; and at times perhaps when money was most urgently needed, the incoming stream would almost cease to flow. For these and other reasons the general practice among the municipalities is likely to be as in the past—namely to sell the securities in bulk and get the proceeds in one sum when the money is needed. The derangement of the international money markets, which serves to prevent large borrowing by municipalities at present, is merely a temporary phenomenon. Already there are signs of a brightening outlook in Europe; and a decided improvement there would make itself felt in Canada almost immediately.

PREPARATIONS FOR CROP-MOVING COMPLETED.

News comes of municipalities in the East and in the West abandoning construction projects and discharging laborers. To a certain extent the same process of readjustment has been at work in connection with industrial enterprises. And in that way the demands on the money market are kept down to minimum figures. The crop-moving period is fast approaching and in all probability the financial arrangements therefor have been completed. Apparently the grain and milling concerns have been able to get the credits necessary for their operations. No disposition has been shown by the banks to increase their loans to stock market borrowers. More or less continued liquidation of securities has been in evidence. Call loan rates at Montreal and Toronto are 6 to 6½ p.c. as heretofore; and discount rates applying to commercial paper range from 6 to 7 p.c.

EUROPEAN DEVELOPMENTS.

The African gold marketed in London this week amounted to about \$4,000,000. The Bank of England secured most of it, as the demand from the continent was not so keen. Bank rate in London is held at 4½. Not for 40 years, says the *London Bankers Magazine*, has the Bank of England rate ruled so high in midsummer as in 1913. Call money in London is quoted 2¾ p.c.; short bills are 3¾ p.c.; and three months bills, 4 per cent. Open market rate of discount in Paris is 3¼ and in Berlin, 4½. Bank of France rate is held at 4 p.c. and that of the Imperial Bank of Germany at 6 p.c. The strain at Berlin appears to be diminishing.

THE BELLICOSE BALKANS.

Balkan affairs continue to engage the attention of the rest of Europe. Sir Edward Grey, the British Foreign Secretary, this week remarked that perhaps the fighting would continue until exhaustion ensued. The *New York Evening Post* comments that this official remark may have been less pessimistic in reality than it seemed to be—it may have been meant as an intimation to Bulgaria that she had better make haste to come to terms with Greece and Serbia. At