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THE GENERAL FINANCIAL SITUATION.

The Bank of England again secured the bulk of the South African gold consignments offered on the London market. The amount was \$3,750,000—about the same as in the preceding week. Bank rate is maintained unchanged at 3 p.c. The open market has however been assuming a harder tone—perhaps because of the multiplicity and importance of the demands made upon it and in prospect. Money is higher—the rate now being $1\frac{1}{2}$ to $1\frac{3}{4}$. Discounts also are up, as the following quotations show: short bills, 25-16; three months bills, 23 $\frac{1}{2}$. Monetary conditions in the Continental centres are practically unchanged. Bank of

France rate is 3 p.c. and that of the Bank of Germany 4 p.c. as heretofore. In the open market at Paris discounts are 2 $\frac{1}{8}$, and at Berlin 2 $\frac{3}{4}$.

The course of events at New York too has been in the direction of firmer money, although the tendency has not as yet found any very notable reflection in the schedules of rates of interest. The rates are: call loans, 2 $\frac{3}{8}$ p.c.; sixty days, 2 $\frac{1}{2}$ to 2 $\frac{3}{4}$; ninety days, 2 $\frac{3}{4}$ to 3; and six months, 3 $\frac{1}{4}$. The reserve position of the New York clearing house banks continues to be eminently satisfactory. On Saturday their statement showed a small contraction of the loan account—\$1,220,000, and an increase of \$2,300,000 in the cash holding. So the surplus rose by nearly \$2,200,000 and now stands at \$46,838,200. The trust companies also were able to add a fraction to their percentage of reserve to liability notwithstanding that their loans increased by the large amount of \$26,700,000. Their cash holdings increased \$3,430,000.

The active stocks dealt in by Wall Street have retained much of the advances scored by them on the occasion of the Supreme Court's decision *re* the Standard Oil Company; but there has been a falling off in the trading. Perhaps one reason for this is to be found in the expectation that next Monday the highest court of resort will pronounce on other cases directly affecting American finance.

There has been during the week a moderate sized movement of gold from New York to Montreal; and as New York funds are quoted at a heavy discount in Montreal and Toronto there is some probability of further shipments of United States coin to this city. It represents a continuation of the tendency among the bankers to draw upon stores or reserves of funds, hitherto carried abroad, and which are now required for financing Canadian business. Some of the popular newspapers in Canada have been concerning themselves about a bill in the New York state legislature which aims at the Italian and other foreign private bankers in a small way. We have had the same parties here in Canada. One of these men would call himself a "banco" and sometimes the immigrants of his own nationality would entrust large sums to him. In New York that business was pushed very actively by a considerable number of people. The so-called bankers in some cases were little better than thieves, and hundreds of immigrants were divested of their savings by means of worthless drafts on Italy or worthless credits on the bankers' books. It is against these parties that the Sullivan-Foley bill is principally directed. It is not, as our sensational press stated, an attempt to drive the Canadian bank agencies in New York out of business. However, it is the case that one of the clauses of the bill is drawn in such manner as would