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THE GENERAL FINANCIAL SITUATION.

The Bank of England secured the bulk of the $2,750,000 new gold arriving on Monday. During such an uncertain political season, the city desires to see the bank strengthened as much as possible; therefore the competition in London for the gold shipments is reduced to a minimum. Bank rate at the British capital was continued at 5 p.c.

In the London market call loans are 2½ to 3½; short bills, 4 15-16 to 5 per cent.; three months' bills, 4⅞ to 4 15-16 per cent. Bank of France rate is 4 p.c.; and market rate at Paris 3¾ to 4 per cent. The big French centre has just had an important speculative upset; it will probably be some time before confidence and optimism resume their sway in Paris and Berlin. Bank rate at the latter city is 5 p.c. and discounts in the market are quoted 4¾. The monetary tension at Vienna has been particularly acute; both bank and market rates standing at 5½. It is quite natural that the Vienna markets should be upset over the dramatic outcome of the war.

Nobody knows what the victorious allies will demand in the way of territory. Their success has been so complete and startling that it would not be surprising if they stood out even against Austria herself. Judging from their recent performances the Bulgarian and Servian armies might give a good account of themselves in the event of a struggle with the Austrians. The banking institutions at all important European centres will desire to keep their resources in liquid form until all the interested parties have agreed as to the final disposition of the Turk's estate. Some competent critics appear to be of the opinion that the occasion may furnish an opportunity for the improvement of relations between Britain and Germany.

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The New York money market retains all its firmness. Call loans are 6 p.c.; sixty day loans, 6 p.c.; ninety days, 5¾ to 6 p.c.; and for six months' loans the nominal quotation is 5½ p.c. With respect to time money it is said that only a small amount of funds has been offered by the city institutions; and the interior banks also have but little to spare. Another decrease of reserves was reported by the metropolitan clearing house institutions. In the case of banks and trust companies the loan contraction amounted to $9,314,000; the cash loss was $5,820,000; and the excess cash reserve dropped from $4,024,000 to $2,580,000—the decrease being $1,444,000. The surplus reserve of the banks alone was reduced to less than a million. Their loans expanded $106,000; cash fell $4,159,000; and surplus decreased $3,420,000. It was noted on Monday that 21 clearing house institutions began business this week with reserves below the legal minimum. Last week there were sixteen institutions starting out with deficient reserves. The circumstance apparently leads to the conclusion that the banks are not in very good shape to finance a stock exchange boom.

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Although the split in the Republican party and the pre-election betting indicated a decisive victory for the Democratic candidate for president, the results of the voting were more sweeping than had been generally looked for. Of course, this opens up the question of the United States tariff. And it would be surprising if the holders of securities issued by corporations, now enjoying in an abnormal degree, the benefit of tariff privileges conferred on them by the Washington Government, did not manifest some uneasiness over Wilson's tremendous victory.

However, it is quite clear that apart altogether from tariff considerations there are plenty of factors now operating on the Wall Street securities market in the interests of the bear party. The high rates for money and the condition of the New York banks; the uneasy position of the European speculators who hold American securities; the return of American stocks and bonds from London and Paris: all these