

Weekly Financial Review

New York, Dec. 27, 1913.

No intelligent observer taking mental stock of the closing year can escape the conviction that we have positively entered a new era of great political, social and economic possibilities. This remark does not apply to the United States alone, but to all Europe and to the Orient quite as much as to the Occident. Civilization is progressing at a tremendous pace, and the year 1913 will go down into history as one of the most marked in social and political changes in several generations. The striking feature of this movement has been the rise of democracy, and an almost universal effort to bring government and people closer together. Education has been the mainspring of this movement. New ambitions and new wants have been awakened by this silent but uplifting force; while art, science, industry and capital are doing their utmost to satisfy ever increasing demands. New ideas have been spread broadcast, a few of which might be classed as sound, but a large proportion of which are certainly illusionary, dangerous and unworkable while human nature continues what it is. This movement towards democracy, usually styled social unrest, like all social movements is exceedingly complex and has many reasons for its existence. Chief of these is the desire for material betterment. In this respect there is a steady advance; the average man never having had more to enjoy than today, and this in spite of the so-called increased cost of living which not infrequently has been due to higher standards of living and lack of thrift. What the outcome of this movement will be it is of course impossible to predict. In the long run it is likely to prove beneficial and to lead to higher standards of conduct and a wider distribution of material benefits than heretofore. To those in the thick of the battle it is not always easy to see the progress a ready-made. Nevertheless, within the past decade big forward strides have been taken. In spite of popular denunciation, business standards were never so high as today. Many abuses have been permanently eliminated. Much legislation has been enacted for benefit of the masses. Benevolence and humanitarianism were never upon such a wide and intelligent scale as today. Social betterment and science are doing much to improve moral and hygienic conditions, and if the average man could only be induced to stop and take account of these various gains he would find much less occasion for prevailing pessimism, and a great many reasons for a more rational optimism. As a matter of fact, there is less cause for popular discontent in the United States today than there has been for many years, and a recognition of this fact would do much to restore popular confidence, business activity and a more genuine goodwill.

Commercial, Industrial and Financial Progress

The nation enjoyed one great blessing, and that was a good harvest which proved better than earlier reports indicated. The total value of agricultural products for the year has been estimated at \$9,000,000,000, which about equalled the previous season. The value of twelve leading crops was given at nearly \$5,000,000,000, or more than \$180,000,000 ahead of a year ago—a very satisfactory result when we consider that the comparison is made with a bumper corn crop in 1912. Our corn, cotton and wheat crops all proved to be large, and brought good prices. This indicates that the agricultural classes, the backbone of the west and the south, are enjoying prosperity. There was no disastrous deficiency in any important crop, except in the animal industries. Meats continue scarce and high, and as yet there has been no decrease of importance in the high cost of food, which is the largest item in the family expense of the bulk of our population. The dear food problem is one that can only be solved by wise study of economic methods. Legislation can do little. High prices are somewhat due to population increasing more rapidly than production. They will eventually work out their own cure by turning attention back to the soil. Our agricultural colleges are doing vastly more than politicians or visionary doctrinaires can ever accomplish toward lowering the cost of living. They are teaching thousands of young men how to increase product per acre and ere long beneficial results must follow. Our farms under modern methods and intensive cultivation will easily produce much more and enable the farmer to sell lower and still maintain better profits than old-time methods ever expected. This is one of the promising features of the day that should not be forgotten, in spite of the slow subsidence of complaints about high costs of living.

In one other respect the nation has been particularly fortunate. Our foreign trade is growing at a tremendous

rate. Our exports for ten months of the calendar year were \$2,065,000,000, an increase of about \$130,000,000 over last year. Larger shipments of agricultural products were the main reason for this expansion, but a prominent feature is the growing export movement in American manufactured products, particularly those of iron and steel. Imports during the ten months aggregated \$1,460,000,000, a decrease of \$50,000,000, largely owing to delayed purchases resulting from tariff changes. Our excess of exports for the ten months amounted to \$544,800,000, which is \$185,000,000 ahead of the same time last year. This immensely strengthens our credit abroad. So will the new currency bill, because Europe sets a higher value upon sound banking than the United States.

The extent of depression in 1913 is not probably fully realized. On the stock exchange the sales of stocks aggregated for the year only about 35,000,000 shares, compared with 130,000,000 shares a year ago. The sales of bonds amounted to approximately \$520,000,000, compared with \$675,000,000 in 1912. Bank clearings for the year are estimated at \$169,000,000,000, as against \$174,000,000,000 in 1912. Our railroad earnings thus far reported for eleven months were \$849,000,000 compared with \$979,000,000 a year ago. The latter is a satisfactory exhibit, showing that the volume of traffic was fairly well maintained, but net earnings, it must be remembered, were decidedly unsatisfactory owing to increased expenses, particularly during the last three months. The serious check of business initiative by recent conditions was also shown in the decrease of new corporations, which were recorded at \$2,083,000,000 compared with \$2,798,000,000 a year ago. This is a drop of \$713,000,000. The tremendous falling off in new security issues was partly attributed to this cause, but mainly to both at home and abroad. The total new security issues reported for the eleven months of 1913 was \$1,572,000,000, as against \$2,091,000,000 a year ago. This is a decline of \$519,000,000, most of which occurred in the industrial. The amount of new issues, however, was still large and only exceeded in 1912 and 1914. There was a suggestive increase in business failures, most of which occurred in the latter half of the year, the latest statistics for eleven months showing liabilities of \$252,300,000, against \$180,353,000 a year ago. One more evidence of business reaction, which also was most pronounced in the latter portion of the year, was afforded in the statistics of new buildings; the total recorded in 63 cities for eleven months being \$566,000,000 compared with \$644,000,000 a year ago. There is nothing to be gained from dwelling upon such discouraging statistics as these, especially as we have apparently reached a turn in the road for the better; yet it is just as well as a matter of precaution to take account of the damages inflicted largely by the derangements already referred to. Such extreme reaction as indicated in these figures is abnormal and cannot last. That it has taken place without open panic is remarkable testimony of the general soundness of business conditions in the United States. Today the business outlook is more encouraging. There is no overproduction of importance in any line of industry. On the contrary, scarcity is the prevalent rule. The steel industry is only languishing because of the railroad situation, and a vast volume of orders is held back pending the granting of better rates to the railroads, and improvement in the market for capital. There is no doubt that as distrust appears, business will resume normal activity. Our woolen mills are already recovering from the tariff changes and re-starting idle looms.

The financial situation is not entirely free of difficulty. Confidence has been badly shaken and time will be required to correct pessimistic habits. The advocates of public ownership are not likely to quietly subside and a growling treasury deficit will sooner or later require attention. In financial circles much relief will be afforded by the new banking law when that becomes effective. Our banks are already in generally good condition and there is little over-expansion outside of real estate in any direction. Credit is sound and the only problem of importance in the financial world at home is the refinancing of the \$400,000,000 to \$500,000,000 short term notes which must be accomplished during the forthcoming year. Under favorable conditions these maturities ought to be financed without difficulty. The financial situation abroad is still somewhat disturbed, but is gradually righting itself. The main difficulty is there has been the exhaustion of capital supplies by the enormous masses of new issues and the waste of militarism. The pressure for new capital is still exceedingly insistent. It is as well to recognize that there must be a slowing down in this respect. Canada and some other sections of the world have overborrowed, and must temporarily suspend further demands. In Europe business shows reactionary tendencies, which will tend to relieve monetary strain. The situation, however, in Paris is improving, and the refinancing of Balkan loans as well as placing the new French loan

STOCK-TAKING SALE

Commences Friday Morning, Jan. 2

Unprecedented Bargains

For Thrifty Shoppers in All Lines Seasonable Winter Goods just when you need them at the beginning of Winter. . . .

IT'S A BENEFIT SALE FOR THE PEOPLE

20 to 50 Per Cent. Reductions

A Few Items Will Suffice to Show the Wonderful Values Offering

<p>Flannelettes in a variety of neat, stripe patterns, light or dark colors, also white, 36 in. width 15c value, for per yard. 12 1/2c</p> <p>SPLENDID QUALITY ENGLISH Flannelette in neat stripe patterns, delightfully soft make 34 inch width, Special per yard. 10c</p> <p>Bleached Damask 72 inches wide, all linen and most excellent designs, a linen we are proud of at \$1.25 Sale Price per yard. 98c</p> <p>25c Kimona Cloths at 19c Still a large selection of colors and designs left. This includes all the Children's Kimona cloths with nursery designs. 27 in. wide.</p>	<p>Wrapperettes in spot, stripe and plaid patterns, soft cashmere finish, light and dark colors, suitable for blouses, house dresses and Children's wear. Special per yard. 12 1/2c</p> <p>12 1-2c Crash Towelling at 10 1-2c Direct from the Scottish mills, 17 in. wide, either plain or with red border, good absorbent make, free from dressing. 10 1/2c</p> <p>25c Linen Huck Towels 19c Good absorbent make, easily washed, size 18x36. Sale price each. 19c</p> <p>Pillow Cases Hemmed, made from a firm quality of white cotton. Size 42 inches. Sale price each. 15c</p>	<p>Evening Coats and Opera Cloaks Regular \$25.00 for \$12.50 Regular \$28.50 for 14.25 Regular \$35.00 for 17.50 Regular \$50.00 for 25.00</p> <p>Your Choice at Half-Price</p> <p>Women's Dresses These are no job lots bought at a price for a purpose, but from our own standard garments, made of pure wool serge, silk or lace collar and cuffs. Regular \$8.50, \$10 and \$12.00. Sale Price \$5.00</p> <p>Women's Sweaters A utility garment offered to you at a great saving just when wearing time begins. Regular \$2.50 for \$1.90 Regular \$3.00 for 2.25 Regular \$3.50 for 2.75 Regular \$5.00 for 3.85</p>
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The Great Year-End Sale has its Effect in the Dress Goods and Silks
CHRISTMAS IS OVER. SENTIMENT RESOLVES ITSELF INTO SAVING. CONSEQUENTLY WE HAVE NUMEROUS BARGAINS TO OFFER YOU BUT SPACE DOES NOT PERMIT US TO ENUMERATE ALL.

<p>Brocaded Satins 36 ins. wide \$3 85 With only about one third the season over, you are sure to require a new Evening Gown sooner or later. A beautiful brocaded satin, uncrushable, and in the season's best colorings, such as neltrose, sky, shell pink, pearl grey, maize, amber, and black and white. Regular price \$5.00.</p>	<p>Two Tone Striped Messaline 95c yard In a beautiful, soft but heavy quality of messaline, with hairline stripe of white. Excellent for blouses or afternoon dresses. Full 36 inches wide. Year end Sale, per yard. 95c</p>
<p>Silk Remnants and Dress Goods Remnants at a fraction of their original values.</p>	

WOMEN'S AND MISSES' FURS

Muskrat Coats
50 and 52 inches long, soft, prime skins lined with brown skimmers satin. Regular \$ 75.00 for **\$58.00**
Regular \$100.00 for **65.00**
Regular \$125.00 for **95.00**

Near Seal Coats
36 and 38 inch. Made of five crown selected skins, seal dyed, brown skimmer satin lining. Sale Price **\$50.00**
50 and 52 inch. Sale Price **\$65 & 75**

Muskrat Seal Coats
The finest selected skins, French seal dyed, beautifully lined, large easy sleeves, loose back, narrow at bottom, round or square corners.
THE FINEST MUSKRAT SEAL COAT MADE.
Sold in Winnipeg at \$300 and \$325, according to style. Our regular price—\$250. Year End Sale Price **\$190**
Other Seal Coats of the best skins, 3-4 and 7-8 length. Sale Price **\$115.00 to \$145.00**

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to the use of vulgar abuse is about to become a competitor no longer.

British Action in Mexico
London, Dec. 30.—The governor of British Honduras has not yet advised the government here that the British marines have been actually stationed on the Mexican frontier. Such action, however has been anticipated with the view of stopping the supply of arms and ammunition to Mexican rebels and guarding the British frontier against violation by the rebels.

Incident Was Trivial
Berlin, Dec. 30.—Investigation at Zabern showed today that the two shots said to have been fired on Saturday by an unidentified civilian at a sentry were discharged from a gun with which a boy was playing. The military authority had taken up this supposedly grave incident as a justification for stringent measures by the troops.

The sentry who was reported to have barely escaped death was stationed in front of the barracks formerly occupied by the 99th Infantry, which was the cause of the recent trouble at Zabern.

City airs and rural ozone do not seem to mix satisfactorily.