

some quarters it is believed that a crisis is near at hand. The state of affairs naturally induced heavy selling of Brazilian securities in which London, Paris and Berlin are largely interested. Brazilian Traction, one of these stocks, is also an active issue in Montreal and Toronto—so our own markets have had to take their share of liquidation.

NEW YORK DEVELOPMENTS.

The New York money market has been stronger, and rates for call loans advanced—the quotations ranging from $3\frac{3}{4}$ to 4 p.c. Sixty day loans are 5 p.c.; ninety days, $5\frac{1}{2}$ per cent.; and six months, 5 to $5\frac{1}{4}$. Owing to their extraordinary loss of cash the clearing house institutions on Saturday were obliged to report a heavy loss of reserve strength. In case of all institutions the cash loss was \$10,500,000; the loan contraction, \$8,070,000; and the decrease of the surplus, \$7,348,000. After this reduction the surplus reserve stood at \$3,695,150. The banks taken by themselves reported a cash loss of \$9,730,000, a loan contraction of \$4,240,000, and decrease of \$6,908,000 in surplus.

BEARS RAMPANT.

The Wall Street market too has experienced liquidation during the week—due in part to scarcity of money and more largely to the active selling campaign instituted by bearish operators who argue that several important American industries will be severely injured by the reduction of the tariff. The steel stocks have been the principal target, and the bears have been prophesizing that the United States Steel Corporation and other big manufacturing concerns are now to experience very troublesome competition from the European industry. Iron and steel prices have shown a tendency to fall under the influence of declines in the European markets. However, the steel men themselves have not been complaining of the new conditions. They are evidently hopeful of prosecuting their business as in the past with satisfactory results. So far as the railways are concerned the reduction of the customs duties would seem to be a bull factor. But Wall Street has not as yet been able to see it in that light.

The death is announced at Quebec of Mr. Frank Holloway, a well-known insurance man. His funeral was largely attended by prominent citizens and also by a number of insurance men from Montreal.

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The death is announced at Strathroy, Ont., on Monday, of Mr. George Gordon German. The deceased gentleman was well known and highly respected in insurance circles, where he was a worthy veteran of mature experience. For no less than 30 years he had been a fire insurance agent representing the Royal, Queen, etc., and had reached the ripe age of 84.

FOX-FARMING IN PRINCE EDWARD ISLAND.

A Charlottetown, P.E.I., subscriber to THE CHRONICLE who is himself interested in the fox-farming industry of the Island, writes to protest against the article which appeared in our columns two weeks ago under the caption "How long will it last?" in which the opinion was expressed that the industry is not one that is suitable for the investment of outside capital. Our correspondent is a firm believer in the future of fox-farming and is good enough to send us a large batch of interesting literature regarding it. We have not the space to discuss this subject at length, but it is only fair to say that the leading men engaged in the industry anticipate its eventual placing on a pelt basis, but are confident that at that figure it can be made to yield very handsome returns.

AN EXPERT'S OPINION.

There is a report available of an interesting speech by Mr. Agnew, who, we believe, is a leading breeder, at a meeting at which was formed the Prince Edward Island Silver Fox Breeders' Association. Mr. Agnew said he believed they had only touched the fringe of the industry if they kept it pure and entire, but if they were to import foxes and sell them as pure Island bred foxes there was not much hope for the future. He thought the Association has not been formed too soon to conserve the industry. The prices paid for Island skins were far and away higher than paid for any other fox skins, and so long as they kept their stock pure they would continue to maintain their reputation at a high level of prices. If they wanted to get an outsider interested they must come down to the ultimate fur value of foxes, and in this connection he said *he did not think the price of young foxes should be allowed to go higher than from \$10,000 to \$12,000 a pair.*

WHAT IS NOW HAPPENING.

This last sentence—the opinion of an experienced breeder—is particularly interesting in view of a statement by Mr. J. A. Macdonald in last week's *Monetary Times*. Mr. Macdonald says:—"Orders have poured in to the ranchmen, in such numbers that the existing ranches cannot accept them, and already this season, orders for some three hundred pairs of silver black foxes, at \$12,500 and as high, lately, as \$20,000 a pair, are going begging."

On the one hand there is the opinion of an experienced breeder that the price of young foxes should not be allowed to go higher than from \$10,000 to \$12,000 per pair; on the other, the fact that people are prepared to pay as high as \$20,000 for them. The latter fact suggests an inflation in values. The outsider who makes a thorough investigation of the industry may in the case of a particular proposition come to the conclusion that it is a fair speculation with good chances of handsome profits. But the outsider who is not able to make that investigation we still advise to keep away from fox-farming.