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THE MONEY MARKET.

There is nothing very comforting to report respecting the money market. The commerce of the world keeps well up, and trade figures are excellent from every quarter excepting Austria-Hungary, which country feels the influence of military activities, and the difficulties of disposing of its surplus of productions owing to conditions on the Danube, and across the boundary to the south. British trade is on a large scale, and as usual exchange is being adroitly manipulated in order to avoid direct shipment of gold. More than ever is it worthy of attention that Britain's export is that of gold and her greatest import interest money for loans made. Of these transactions reports are practically impossible, as regards any degree of fulness or certainty, but outside banks, our own included, must derive a good income from the operations of the artists who arrange the transshipments of exchange. As regards actual cash the markets of the world are as poorly off as ever. It may be expected that the recurrence of war in the Balkans will not result in prolonged operations, but it will delay the closing up of financial arrangements for financing the implicated nations, and thus hinder the freeing of large sums of money, now being held up by prospective purchasers of national loans. Until troops are formally disbanded and the Albanian matter definitely arranged, we cannot expect that hoarded funds will venture out of hiding. The longer the warlike state is kept up by the kingdoms lately allied the greater the loss to them, for the presence of the men now in the

ranks is sorely needed in the fields. That means the larger will their loans have to be, and, in all probability, the higher the rate they will have to offer investors in their securities. It will be some time before the greater part of the Chinese loan returns into trade circulation from the interior, where much of it has been expended. The state of the bar silver market shews how acutely one effect of this loan had been anticipated. The Brazilian loan was left in Europe largely to take up former issues and bills due, but a good deal of cash had gone to South America previously.

London is surfeited for the time being with debenture offerings. It must be acknowledged also that large holdings of former issues by underwriting firms makes the market stale, and hard to reach, for there is not a little bargain counter offering done at critical times by men anxious to unload, even at a slight loss.

In our country the condition is better than some of our critics will allow. Old established firms are still looked after by their banks, and no really sound proposition is actually cast out. Of course rates are high, that is the case everywhere; but as a rule business is rushing, and no one appears to be really losing anything, though profits may be clipped a bit at times. The circulation is brisk, but country merchants are often slow in coming to terms. Especially is this true about the acceptances of drafts, regarding the importance of which some merchants never will learn anything. It is the men who return unsigned the drafts properly sent them for acceptance who feel the