

strong market in Wall Street, would have its certain effect upon the local sentiment in Montreal and Toronto. As our home markets have not so vigorously discounted the good things of the future there is some reason for expecting that when the good things actually come to pass our stocks will make the better showing.

Revival of Interest in Bank Stocks.

A noticeable feature of the trading in Canada is seen in the revival of interest in the bank stocks. With the coming of the depression there was a very natural fall in the profits of the banks. And it was not at all clear whether there might not be a considerable spell of very poor earnings. This contingency operated to check investment in the shares of the banks. The rapid revival of trade and industry here and in the States has caused the more far-seeing investors to anticipate the return of prosperous times by buying the shares of some of the leading banks. As there is very little bank stock floating in the market, the quotations rose smartly, as had been expected, as soon as the increase in the buying demand became noticeable. There is no doubt that within a twelvemonth many of the important banks will have their resources pretty fully employed in looking after Canada's trade. Indeed, there is talk of one or two large institutions increasing capital in the near future. Any important capital increase so decided upon would mean, of course, that a substantial increase in the commercial demand for credits was expected. It is to be remembered, too, that the rapid growth in the number of banking offices in Canada is a circumstance that will subject the banks to a heavier demand for credits just as soon as trade begins to boom again. So there is every reason to expect, if no unforeseen disaster occurs, the spring of 1910 will see the representative banking institutions earning considerably better profits; and by another year record earnings should be in order.

Railroad Indications of Prosperity.

The last fortnightly statement of idle railroad cars in the States and Canada showed a sharp drop in the number. Railway managers on both sides the line report that in a few more weeks every available car wheel will be turning. This is so much a certainty that some lines took the trouble to send out circulars advising dealers who handled coal to order their supplies early enough to ensure shipment before the end of August, as after that date the railway equipment will this year be engaged so largely in hauling grain that deliveries of coal will be small. The episode gives some idea as to the measure of prosperity expected by the transportation companies.

LAURENTIDE PAPER CO.

The annual report of the Laurentide Paper Company, Limited, for the year ended June 30, shows net profits for the year of \$283,892; as compared with \$251,458 for the previous year—an encouraging improvement.

Sir William Van Horne, the president of the company, in his report to the shareholders announces that in order to free the company from dependence upon the banks, and to enable it to handle its business to the best advantage, the consent will be asked one million dollars, making a total of \$3,800,000. A

part of this amount will be held for future requirements in the way of extensions and improvements. The dividend on the amount of increased stock proposed to be issued will be covered by the interest saved.

From the past year's profits there have been paid four quarterly dividends of 1 3-4 per cent. each on the preference stock, also two semi-annual dividends of 3 1-2 per cent. each, and one quarterly dividend of 1 3-4 per cent. on the common stock—a change being made this year to a quarterly basis. \$20,000 has been added to the depreciation reserve, leaving a balance of \$39,892.64 to be carried forward.

HARVESTS AND PRICES.

Interested Conjectures of Experts and Markets as to Future Course of Wheat.

Since the July "squeeze" wheat prices have dropped very considerably, and prices are now about where they were a year ago—still a high level. To more than the farmer the question of future prices is one of prime importance. On a mid-week "spurt" in Chicago, September sold at 99 3-4c to \$1.02 3-8c, and dropped back to \$1.01 1-4. December sold at 96 5-8c to 98 3-8c, and off to 97c; and May at \$1.00 1-8 to \$1.01 1-2.

Varying and conflicting crop reports from the world over, contribute to the market's quick variations, and there is close watching still to see "which way Patten jumps." But this much as to the general outlook remains clear—that low prices need not be expected this year. The world's "visible" is under 60,000,000 bushels—which is less than half the 1907 August showing, and less than that even in the "Leiter" period.

While this year's increased production in Canada and United States will make up for America's decreased held-over stocks, the European crop outlook is more problematic. Central Europe will probably show a decline of 50,000,000 bushels below last year's crop, which was an average one. In western and southwestern Europe, conditions are more satisfactory. In Great Britain, on an increased acreage, the condition of wheat is placed at four per cent. above average. The latest official crop report of France is unfavourable as regards condition, but an average wheat harvest is still possible, owing to the increased area.

Throughout eastern and southern Europe good crop conditions have been maintained. In Roumania, Bulgaria and Serbia the promise is favourable, while in Russia the crops are rated good.

While the European harvest, as a whole, will undoubtedly be larger than those of the last two years, when there was a serious crop shortage, it is unlikely to come up to that of 1906 or even 1905.

As stated in a bulletin of the United States Department of Agriculture, it is still too early to judge of the between season crops to be furnished by India, Australia and Argentina. The favourable monsoon in India gives promise of a favourable season, but it must be borne in mind that the next wheat crop has not yet been sown there. Seeding in Australia has been favoured by plentiful rains. In Argentina serious drouth prevailed for months and at the date of the latest reports had been broken only in part; a large decrease in its area under wheat seems certain.