sols were 3-16 lower at 81⅞ for money and 82 for account. Canadian Pacific was ¾ lower at 144¾, Grand Trunk ⅜ lower at 17⅜.

The definite Thursday announcement that the Bank rate remained at 7 p.c. brightened the London market somewhat. The Bank statement showed reserves of £1,198,000—the ratio to liabilities being 38.8 p.c. as against 40.5 p.c. a week ago.

United States Financial Outlook. There does not seem to be a perceptible change to any great extent in the general financial situation. The currency difficulty in the United States does not appear to have moderated and is causing a great deal of trouble and distress in industrial centres. In many cases industrial institutions and railways are curtailing their expenditure in every possible manner and as a consequence, working men are either put upon short time, or dismissed. This is not because of want of orders, but simply for the want of the necessary means of meeting pay rolls and other necessary expenditures which have to be paid in cash. In many cases railways and other institutions have resorted to payments by small certified cheques, which after all is only a make-shift.

The New United States Government Securities. Reference is made elsewhere in these columns to the issue by the United States Government of $100,000,000 three per cent. Treasury certificates and $50,000,000 of two per cent. Panama bonds. It is expected that this action will relieve the immediate stringency, and will no doubt, have the effect of getting a considerable amount of the currency which is now being hoarded up in strong boxes, etc., into circulation. In other words that those who have currency hoarded away will invest in these United States securities. The three per cent. certificates are to bear interest from November 20. The Panama two per cent. bonds are to be issued in sums of $20, $100 and $1,000, payable in thirty years, but redeemable at the option of the Government, any time after ten years and to be free from taxation or duties in any form.

A number of leading New York bankers made representations to Secretary Cortelyou on Wednesday that owing to the premium still prevailing on currency, it would be impossible for them to buy the new 3 p.c. notes unless they could be assured first that the purchase money would be left on deposit with the purchasing bank, the government taking the new notes as collateral for the deposits; and, second, that the bank would then be free to substitute railroad or municipal bonds for the collateral underlying the government's deposit of the bond purchase money, and immediately pledge the notes thus released as a basis for additional circulation.

Another recent development of importance has been the effort of large foreign banking houses to obtain the cooperation of directors of the Bank of France in a scheme to advance $30,000,000 or $50,000,000 of gold, using the new Treasury notes as collateral, with the promise of repayment within six or eight months.

Currency and Confidence. It has been well said that currency and confidence are the main factors required. It is difficult to see how money can have disappeared in such a short time in sufficient amounts to cause the existing state of affairs and there is little doubt that the interior hoardings awaiting New York developments are considerable. There is one good feature in connection with the whole situation and that is that the leading newspapers and leading politicians are beginning to be more guarded in their statements, and although it will take a little time to bring back confidence, yet there are clear indications that it is slowly coming. It cannot be expected that any sudden change for the better will take place. It will be gradual, and prices of securities generally, are not likely to increase to any considerable extent for some months. It is to be hoped that the United States Government will bring in such legislation as will prevent the possibility of a recurrence of existing conditions, especially with regard to currency supply. It is also to be hoped that the talk regarding large corporations will cease, and that those in authority will be more careful in future in making statements for political or any other reasons.

New York Market Happenings. The first effect upon the stock exchange of Secretary Cortelyou's announcement of the $150,000,000 Government issue was a sharp advance in the market price level. There was aparently less enthusiasm a little later, at any rate by noon prices had sagged again considerably. The premium on currency declined to 2 p.c. on the falling off in the demand for currency.

Tuesday's market sold slowly off from start to finish, with same temporary brightening at midday. Sterling exchange was lower—probably in the expectation of the Government disposing of some of its certificates abroad. On the other hand very little gold was engaged abroad and the local premium on currency further declined.

On Wednesday, stock prices were quiet until near the markets' close when there was a rise in call money from 7 to 15 p.c. and a sharp fall in stocks—new low records for the year being established in some cases.

Thursday brought continued liquidation—due largely, it is believed to a process of cleaning up credit accounts by the banks. On a renewed rise in currency, premium exchange rose to as high as 4.87¼ for demand bills. Gold engagements so far are stated to aggregate over $75,000,000.

The Canadian Situation. The Canadian financial situation contrasts favourably with that of our neighbours. Our Canadian banks have made the usual preparations for crop movements in the West, and we do not know of any industry in the country which has had to close down, for the lack of a reasonable amount of credit. We do not mean to say that money is not scarce, for it is, and the growing requirements of the Dominion have necessarily called