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EASIER CALL MONEY

Profit-taking sales and reflection that the price list has been pushed up perhaps too vigorously since monetary conditions changed for the better, served to impart a softer tone to the stock markets at home and abroad during the past week. Then the publication of Canadian Pacific's sensational decrease in gross earnings for the first week in February—\$620,000—also served to direct attention generally to the trade depression. With reference to this last mentioned matter, however, it is remembered that the extraordinary grain movement last fall is responsible in part for the decrease in the C. P. R.'s traffic receipts—the company hauled in September, October and November, 1913, much of the grain usually left for January, February and March. The statistics of Northwestern car receipts give an idea as to how the grain crop of 1913 has been cleaned up. The daily receipts at Winnipeg are running far below the receipts for the corresponding period of a year ago. Thus the news-

papers quote Monday's receipts 100 cars as against 373 cars on the same date in 1913.

EASIER CALL MONEY.

In spite of the recent rise in stocks the demand from the stock exchange for bank loans is by no means very brisk. Speculators, as mentioned above, have shown a tendency to take profits; and those intending to buy have hesitated to do so after the rapid rise. It seems that a further rise immediately would only provoke selling; and many authorities consider that a fairly extensive reaction is absolutely essential to a broad strong market a little later.

The situation as to call loan rates in Montreal was clarified this week by a drop to 5 1-2 per cent. For some days the brokers have been unwilling to borrow new money at 6 per cent.; and it has been understood that important houses were getting funds at 5 1/2 p.c. However, pressure of accumulating funds has at last forced the banks to reduce the official rate; and in some quarters it is expected that a further reduction will be made in the course of a week or ten days. Mercantile discounts are unchanged at 6 to 7 p. c.

EUROPEAN SITUATION.

Bank rate in London is maintained at 3 per cent. In the open market call money is 3/4 to 1 per cent. Short bills are 2 per cent.; and three months' bills 1 13-16 to 1 7/8 per cent.

Bank rate at Paris is 3 1/2 per cent., and private rate 2 7/8; and at Berlin bank rate is 4, as against 3 3/4 quoted in the open market. Bankers are beginning to ask themselves whether interest rates have not touched bottom. At any rate this week there has been some tendency towards a recovery. The various borrowing states are losing no time in presenting their demands. Following the big Prussian loan just brought off so successfully at Berlin, the South African Government this week appeared in London with a request for \$20,000,000, tendering therefor 4 per cent bonds at 98 1/2. The appearance of this loan had an effect in weakening Consols. Probably the price at which it was offered may be taken as an indication of the rate our government would be required to pay for a loan negotiated with conditions as at present.

BALKAN TANGLE NOT YET STRAIGHTENED OUT.

While the Berlin money market has reached a position of relative comfort the Paris situation is not as yet all that could be wished. The entanglements of the French bankers with the Balkan states have not been straightened out—though it is hoped that the necessary arrangements will shortly be made. Paris has been steadily taking gold from New York. A shipment of \$2,000,000 was arranged on Monday, this week, bringing the total outgo since January 13th, up to \$10,000,000.

NEW YORK POSITION.

Call loans at New York are steady at 1 7/8 to 2 per cent.—most of the business being at 1 7/8. Sixty day