

confidence. Curiously enough, the document in question, the genuineness of which there is, happily, no longer any reason to doubt, produced a favourable impression, not only upon ourselves, but upon no less an important authority than Count Witte, who has declared that he would have never have believed that the situation would have been so favourable four months after his leaving office. Count Witte, as he explained, was under the impression that for the liquidation of the war expenses, 170 million roubles would be required, whereas, M. Kokovtsoff announced a deficit of only 155 million roubles in connection with the war. The financial situation, as a matter of fact, proves to be much more satisfactory than had been anticipated, and the national revenue continues to expand in a manner which suggests that, by the end of the present year the expected deficiency will be entirely made good. In the three concluding months of 1905, the revenue showed deficits of 4.21 and 4.3 million roubles respectively, so that in the corresponding period of the present year the comparison will be with especially unfavourable returns. If the considerable surpluses of the second half of the present year should in the ordinary development of affairs prove larger than those of the first-half of the year, which totalled 100 million roubles, they would suffice to wipe out the deficit reckoned upon the Estimates.

The powers of resistance to revolutionary influences displayed by the trade and manufacturing industries of Russia are acknowledged to be remarkable even by the most prejudiced correspondents. Surprise has been expressed at the almost total absence of bankruptcies, the uninterrupted operation of mills and works, the comparative promptness of payments, and the easy condition of the money market. Notwithstanding interval disorders, the productive powers of the country, far from being impaired, are showing signs of very healthy expansion. Last year the value of the exports exceeded that of the imports by 185,000,000 dollars, and in the current year there is every promise of a still larger excess. The Customs revenue for the first seven months of the present year exceeded the estimate by 7,705,000 dollars, while the taxes for the first-half year, as already noted, surpassed the official calculations by 49,500,000 dollars. Nowhere is there evidence of declining prosperity. On the contrary, all statistics of trade and revenue point to conditions of progressive recuperation. On all hands it is now admitted that there is no occasion for alarm so long as ordinary receipts continue to exceed ordinary expenditures, as they have done so far in the present year.

STOCK EXCHANGE NOTES.

Wednesday, P. M., October 24, 1906.

The market has been under pressure throughout the week, and although the volume of liquidation was not abnormally large, prices generally show considerable declines from the quotations prevailing a week ago. The feature of this week's market was the unexpected increase in the Bank of England rate to 6 per cent. on Friday last. It was thought likely that the Bank would raise its rate, but the usual day for such announcements, Thursday, passed without any action being taken, and the sudden announcement on Friday that the Governors of the Bank had decided to increase the rate by 1 per cent., had a decidedly dampening effect on the stock markets of the world, and caused a nervous feeling to prevail, as it was generally considered that some special adverse financial development must be behind the procedure. These fears fortunately were groundless, and the action of the Bank was

one of self protection in the face of heavy withdrawals of gold for export both to Egypt and this continent. A feeling of relief was experienced when it became generally known that there was no sinister meaning to the sudden raising of the bank rate, and the later announcement of the willingness of the Bank of France to release gold to London if required, tended further to restore confidence. It is generally conceded, however, that this incident should be regarded as a warning to those inclined to inaugurate a bull campaign in stocks at this period, and a considerable selling of stocks followed, resulting in a lower level for a great many of the standard stocks. The underlying strength of the situation continues unabated, and while any undue manipulation of stocks for a rise should be frowned upon, investment buying can confidently be made with good prospects of present purchases proving lucrative for those satisfied to exercise reasonable patience.

The shareholders of the Montreal Street Railway Company have become accustomed to receiving new stock issues at par, and the unexpected action of the directors in announcing the contemplated issue of \$2,000,000 at a premium of 75 per cent. came as a surprise, and resulted in a heavy decline in the price of the stock which within about ten days broke from 280 to 254. The decline now seems to be checked, and Street Railway at its present price with the attached rights to new stock, seems a reasonable purchase.

Call money in Montreal shows no signs of relaxing. The rate still continues at 6 per cent. with supplies limited. The rate for call money in New York to-day was 4 1-2 per cent., while in London money loaned at 4 1-2 per cent. to 5 1-4 per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris..	3 3-8	3
Berlin..	5 1-8	6
Brussels..	3 1-2	3 1-2
Amsterdam..	4 3-4	5
Vienna..	4 1-2	4 1-2

C. P. R. which sold at 181 1-2 last Wednesday, declined to 173 1-2, and after recovering to 175 1-2, reacted again and closed with 173 3-4 bid, a net decline of 6 7-8 points for the week on transactions involving 2,245 shares. The earnings for the third week of November show an increase of \$244,000.

There were no transactions in Soo Common this week, and the stock closed with 146 bid.

Montreal Street Railway was the most active security in this week's market, and 7,528 shares were involved in the trading. The stock declined to 254, recovering and closing with 258 bid, a net loss of 12 full points for the week. The earnings for the week ending 20th inst. show an increase of \$9,883.11 as follows:—

		Increase.
Sunday..	\$ 39.96	\$ 880.33
Monday..	9,618.95	1,385.18
Tuesday..	9,348.97	1,247.61
Wednesday..	9,313.21	1,445.49
Thursday..	9,357.14	1,546.33
Friday..	9,348.84	1,718.70
Saturday..	10,154.44	1,659.47

Toronto Railway was heavy and closed with 114 bid, a loss of 3 points on quotation for the week, and 864 shares were dealt in. The earnings for the week ending 20th inst. show an increase of \$10,680.37, as follows:—