still lower mark than this. That day fifty shares out of a large total sold at 195¾. Reaction setting in on Tuesday over 400 shares sold around 201¼. On Wednesday the prices in four transactions were from 202 to 200, and on Thursday their range was from 203½ to 200. This stock is very well held and is a favorite with many who wish safe and profitable investment for their money. It does not often lend itself for speculators to make a profit on its relapses and advances. Those who have bought in around 197 are, if speculators, able to realize a handsome profit now, and if investors will secure about 5 on their investment. The recessions of last week have not the slightest effect on the company's business, and its 10 p.c. dividend. They have probably caused among shareholders a little uneasiness for which there was no ground. Montreal Gas stock is a security apparently destined to live as long at least as Electric stock, which at first seemed a dangerous rival. There seems to be room for both thriving together. All of the diminution of Gas stock value could not have been prevented, because much of it was a necessary result from the unavoidable and natural condition of the money market all over the world. When money becomes worth, say 5 or 6 p.c. less of it of course will be paid for things purchased than when it is worth only 2½ or 3 p.c. Gas stock was bound, therefore, to fall off considerably. But as its price has not been like fancy stock price independent of real values and dividends, it might have been expected to recede only so far as increased interest rates warranted. Now if 202 was the worth of the stock, when 102½ was the future worth of 100, it is evident that 197 was its value when the 100 became worth 105½. How then did Gas stock came to be sold at 195¾? This gives 1¼ recession to be accounted for, a recession which may be increased or diminished a little, according to the data that are figured on, but cannot be got rid of altogether. The reason must be found in some local cause.

T' s stock was sold to the amount of 3,460 shares at prices from 202 to 195¾, closing demand 200¼, and the offer 200.

WAR EAGLE AND CENTRE STAR.

There seems to be a little misapprehension in the minds of some as regards the so-called amalgamation of these companies. The position, as we understand it, is simply this: The principal owners of Centre Star and War Eagle are identical, and the Centre Star proprietors propose to give the War Eagle shareholders the first offer of the stock of Centre Star at a price. Whether they take this offer or not, the War Eagle property will not be affected in the least.

The feeler went out that Center Star would be capitalized at $3,500,000, and War Eagle shareholders were privileged to accept a certain proportion of this stock at $1.50 per share. Everyone likes a consideration for anything received. To pay a profit of over $3,000,000 to a syndicate on a property held a few months goes against the grain. The combined capital of the new company would amount to $5,250,000. The holder of one share of War Eagle would be entitled to two shares of Centre Star issue. Accepting 330 as the price of War Eagle, and 150 that of Centre Star, the cost of three shares in the combined company would be 210. It would require $630,000 per annum to pay 12 p.c. on the new property, and the parity of 330 would then be 210. This is a little less than 5¾ on investment. On the rumored basis of combination the War Eagle is better alone.

As regards the War Eagle property itself, we know that the earnings are very large, in fact, are such that the management could very easily double the dividend and still have a handsome reserve, much larger than the present dividend. Of course increased dividend has been the talk for the past year, and the advance in the price of the stock for some month past has undoubtedly been due to the feeling that the dividend might be increased at any moment, but it is quite evident the management will not increase the dividend until they are prepared to continue paying the increased rate indefinitely. We consider the stock a good purchase speculatively.

The sales for the week amounted to 30,725 shares at prices ranging from 337 to 300, closing demand and offer being 332 and 320.

MONTREAL STREET RAILWAY.

Statements showing that financial institutions in the States were perilously near the limit of legal reserve made the use of money expensive to borrowers and very profitable to those who had cash to lend. To the ordinary needs of transactions put through on loans there were added the demands of moneyed men who having investments wished to realize on them and take advantage of the rates prevailing. Liquidation on a very extensive scale set in and along the whole line broke prices noways firm, owing to protracted negotiations settling nothing definitely about the Transvaal.

Montreal Street could not any more than the other stocks on the local market, exist as a security apart from and independent of the prevailing recessions of the more central market, and dropped on Friday from 320 to 313. With the bears on Wall Street on Saturday and Monday still in the ascendant, Montreal Street Railway stock descended to 308½, at which however it attracted support. On Tuesday the worst of the security crisis had passed for the time being and values began to improve. Street at once on more favorable reports sprang sharply up to 315¾. These experiences during the early part of this week which this and other stocks passed through are valuable object lessons how closely connected and delicately sensitive are the various markets. This stock is as secure as any investor could wish. Its large regular dividend proves that it is as profitable as any security could be while retaining at the same time a character for security. All who have last week bought it while prices were low have done a very good bit of business and all who did not invest on that occasion may be recommended to do so next time. Shares sold amounted to 3226 at prices from 317 to 308½; closing demand 308¼, and offer 308.

ROYAL ELECTRIC.

This stock, notwithstanding the large selling movement in it, may be said to have brought up the rear in the general retreat. It yielded ground because it had to, and its maximum loss was only 6¼ points. Its behavior this week in critical circumstances, must be a recommendation to it as a security. Holders are virtually guaranteed that if its value recedes it will be as little as possible. In periods of general liquidation, therefore, as well as in ordinary circumstances, holders can either keep hold, knowing it won't sink far, or they can realize advantageously. This assurance combined with the highly utilitarian scope of the new policy proposed by the company, that is the keeping of all the profits in itself by increased capitalization instead of continued loans and by a two-thirds price of light to cash payers cannot fail to ensure the new stock a welcome. The old stock is known very favorably to the market and the new stock when issued will be well taken. Its price yesterday, as seen in another column, marks its return to nearly its old high place. The investing public may safely buy it as being a sound and profitable investment.

Sales this week amounted to 1167 shares, the prices of which ranged from 188¾ to 188, while closing demand and offer were 188¾ and 188.

BANK OF MONTREAL

The stock of this and of other banks which have been transferred this week, have shared in the general decline. The deals have been as usual very small and lowered values sentimental rather than real. While the strong position of the Bank of England with its reserve of more than 50 p.c. of its liabilities and the weaker condition of U. S. banks at the limits of their reserve and with deficient amount of circulation are subjects deeply interesting to local bankers, they have not on local banking circles the large immediate effects that they have elsewhere. According to statements the limits of reserve have not been nearly approached to, nor has there been any need of getting together enough of bonds to ensure an increase of note circulation. Still a fairly large amount of country demands for money to move crops and for other such purposes has been a feature of this week's business, and they were being affected on generally higher rates. High charges for money have been perceptibly strengthened by high exchange rates, those posted by this bank and by the Bank of British North America being 4.83½ and 4.87. The actual rates of exchange were Cables, 4.86¾, demand 4.86, sixties, 4.83¼-⅜. It is, however, expected by most exchange bankers that rates will decline this week, and probably to such an extent as to bring imports of gold in which case rates for money will decline. What business was put through in Bank of Montreal stock was at uniform price, 260. An offer of 255 was made for more, but no shares were for sale.

TORONTO RAILS.

We understand that owing to the profitable business done by this company during the past year, the directors are seriously considering the much talked of increase in the dividend. The Exchange News has frequently pointed out the reasonableness of this step, and the favorable view taken by it from time to time of the likelihood of an increased division of profits has been the chief reason for recommending the stock as an investment. Large sales of Toronto Rails by Western holders has always been a mystery to us, as the capable management and ever increasing traffic must have been more noticeable to those on the spot, than to the Easterners who have been large buyers of this security from the sixties up. The stock for the past week has been exceptionally active, and considering the general weakness of the market, very strong. Should the stock pay 5 per cent, holders can well afford to carry it with the expectation of a further increase to six per cent. All things considered, the stock is a splendid purchase around present figures. 1433 shares represent the business for the week ending September, and the range for that period was between 116 and 114, while closing demand was 115 and offer 114¾.

TWIN CITY.

Holders of this security have had a trying time for the past few weeks. The continued weakness in New York has forced the price of Twins down to 60. As we have frequently pointed out, the price of this stock is governed largely by conditions of the larger market and as they seem to be improving, we predict a corresponding advance in the price of this security. We strongly recommend those who have the stock to hold on and if bought around seventy to average. Trading in the shares has been light and it closed yesterday at 62½ wanted and 61¼ offered.

RICHELIEU & ONTARIO.

All accounts agree that Richelieu has had a prosperous year. The new boat Toronto has been a great success and has doubtless been quite a factor in contributing to increased earnings. The decision of the directorate to further add to the fleet by building a sister boat to the Toronto is the outcome of the successful showing of their new palace steamer. The stock has followed the general trend of the market, but has not been active. As a six per cent.