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THE GENERAL FINANCIAL SITUATION

Possibly the most remarkable feature of the week's developments has been the calm with which both the financial markets and the general public have received the various announcements of the approaching end of the world-war. To some extent, no doubt, this is due to a feeling that all rejoicing is premature until the chief enemy of humanity and civilization has openly and frankly acknowledged defeat and accepted such terms as may be granted him. For the rest, the heavy sacrifices which have been called for on all hands have undoubtedly had a decidedly sobering effect, while in Canada, and no doubt elsewhere, the general shortage of labour, and the fact that most folk have their hands full of duties, not only as a result of the war, but on other accounts, is also a reason why no time is being devoted to the exuberant display of enthusiastic feeling. Furthermore, there is without doubt increasing appreciation of the fact that the cessation of fighting will only result in the advent of a fresh crop of problems which will need the utmost good judgment of the world's intelligence, backed by all available energy, for their solution. The announcement this week that plans are being worked out for the feeding of the half-starved populations of recently belligerent countries is a reminder that things are not likely to go back to "normal" in a hurry, but that the period of transition will be a troublesome one, and that peace and plenty will not necessarily synchronise for a year or two at least.

The Victory Loan campaign proceeds satisfactorily enough. Everyone is confident that when the three weeks of effort finally draws to its close, it will be found that Canada will again have gone "over the top" financially, in energetic fashion, and thus make a brilliant finale to her financing during the actual period of hostilities, though the present war is hardly likely to be the last of the Dominion Government's domestic appeals for funds as a result of the war. This confidence, and the general desire to be in at the finish constitute an important psychological factor in the

war's success. In this connection, it is to be remembered that the published totals of loan subscriptions, while valuable as pointers to the way in which things are going, do not indicate the whole extent of subscriptions to the loan. The banks are not departing from their custom of privacy regarding their customers' transactions, and bearing in mind the large amount of subscriptions, both large and small, which go directly through them, it may well be surmised that the actual total of subscriptions is, in fact, well in advance of the published figures. This is no reason why any reader should avoid making any effort which is within his power. Subscription to the limit is not merely a patriotic duty, but the wisest provision for the future that any man can make.

The events of the last two weeks again bring into prominence a point of view regarding the future of Victory Bonds, which has been previously insisted upon in these columns. It would be foolish to expect a rise in the market value of these bonds immediately on the conclusion of hostilities owing to their enormous volume of issue in proportion to Canada's investment power, and because when the urgency is passed, a certain volume of realising sales is to be expected, perhaps a large volume, as funds are required by many investors, both large and small, for new purposes. But, on the other hand, the gradual sale of these bonds abroad, particularly by large investors, will undoubtedly prove a most valuable means of securing funds for new Canadian enterprises, while at the same time stabilising their home market. The preliminary stages of reconstruction may have to be passed before this influence becomes evident, but that it will be seen, and that at no distant date, there can be no doubt.

These sales of war securities abroad will perhaps act effectively in regard to our balance of foreign trade, which is bound to loom largely in the near future in the consideration of our financiers and economists. The enormous increase in our foreign trade as a direct result of the war, an increase largely temporary in character, has

(Continued on page 1149.)

BUY VICTORY BONDS

ANY BANK WILL HELP YOU