holdings remained about stationary; and the surplus reserve increased $4,714,000—rising to $12,671,350. And in the case of the banks the loan contraction amounted to $19,400,000; the loss of cash was $460,000; and the increase of surplus $4,313,250.

The Freight Rates Fight.

For the last two or three weeks, Wall Street, like our own markets, has been plunged in gloom. But on Tuesday this week the announcement that the Interstate Commerce Commission had vacated its suspension of rate advances made in Missouri River territory by railways operating there, served to change the tone of the market altogether. If traders could bring themselves to believe that the incident means that the Commission will henceforth be more friendly to the railway proposals that freight rates be advanced, the quotations for the standard rails should be favorably affected. It appears that now there is more hope that the request of the eastern roads for permission to make a general horizontal raise of 5 p.c. in freight rates will have a chance of success.

Results of Government's Attitude.

At any rate in Montreal there has been a well defined opinion that the Wall Street bears were greatly exaggerating the evils which threatened American industry and American railroads. It is quite probable that the manifestation by the government and by the commissions created by it of a spirit of fairness in treatment of the railways would be followed by improvement in the market for railway securities; and this in turn would lead immediately to an increase of orders from the railways to the iron and steel industries. The attitude of the Government has had a marked tendency to depress trade and industry and thus to throw workingmen out of employment.

The American Surety Company of New York has ceased to carry on business in Canada, and has re-insured with the Canadian Surety Company, Toronto, Ontario, a subsidiary, its policies in force.

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As has been forecasted, the recent financial stringency has been a severe period for the Russell Motor Car Company. As manufacturers of luxuries, an industry such as the motor industry must be one of the first to feel the stress of different times. The annual statement, just mailed to shareholders of the Russell Company, shows a net loss for the year ended July 31, of $152,826, which compares with a profit in the preceding year of $180,127. Dividends were paid of 7 per cent. on the preferred and 3½ per cent. on the common stock, totalling $112,000. As a profit balance of $303,233 was brought over from the previous year, there still remains a balance of $38,307. According to the report presented, no other course was open to the company than to suspend dividends on preferred and common stocks.

THE MOLSONS BANK.

As the first of the series of bank reports which make their appearance during the fall months of the year, the Molsons Bank statement always possesses a certain piquancy of interest. From it the critic is able to gather indications of what has been the experience of the banks as a whole during the past year. The outstanding features of the Molsons report for the year ended September 30, are a decrease in deposits, which, as is already known has been the general experience of the banks for some time past, a moderate increase in profits and an allocation to cover the depreciation of securities of the highest grade held by the bank. The Molsons Bank being in many respects a typically solid and conservative Canadian banking institution, it appears not unlikely that these points will figure also in several of the bank balance sheets which are due to appear in the course of a few weeks.

Three Years' Figures.

Following are the leading items of the newly issued balance sheet and those of two previous years:—

Liabilities.	Sept. 30, 1911.	Sept. 30, 1912.	Sept. 30, 1913.
Capital paid up. .	$ 4,000,000	$ 4,000,000	$ 4,000,000
Reserve Fund. . .	4,600,000	4,700,000	4,800,000
Circulation. . . .	3,761,032	3,953,807	3,933,360
Deposits not bearing interest. . . .	5,021,139	7,405,649	5,662,843
Deposits bearing interest.	28,829,232	31,676,978	31,065,254
Assets.			
Specie and Dominion notes.	4,178,303	5,407,363	5,041,889
Securities. . . .	2,764,839	2,842,734	2,691,088
Current loans. . .	29,882,294	31,680,133	30,545,680
Call and short loans	5,550,665	5,755,496	5,724,203
Total assets. . .	47,517,833	52,958,505	50,384,269

The fall in deposits in comparison with last year is about $2,000,000, and this fall has had some effect in contraction of the various loan accounts. Thus current loans at $30,545,680 are $1,100,000 less than a year ago, and there is a slight shrinkage of some $30,000 in the call and short loans. The securities held also are about $150,000 lower than last year. Total assets now stand at $50,384,269, of which total $17,678,222 are liquid assets, showing the substantial proportion of 42¾ per cent. to the liabilities to the public.

A Satisfactory Trading Year.

The profit and loss account shows a satisfactory trading year. Profits during the twelve months ended September 30 last were $694,357. These show an advance of practically $10,000 upon last year's profits and though not reaching to the record figures returned in 1911 are equal to 17.36 per cent. upon the $4,000,000 paid-up capital. The balance brought forward at credit of profit and loss from the previous year, $161,828, makes the total available, $856,185. Of this total, the annual dividend of 11 per cent. absorbs only $440,000; there is transferred to reserve fund $100,000, making this fund $4,800,000, or a proportion of 120 per cent. to the paid-up capital; expenditure on branch premises absorbs $47,269, nearly $20,000 less than in 1912; business taxes, $24,984 and there is the customary allocation of $10,000 to the Officers' Pension Fund. In addition to these usual provisions, two special allocations have been made this year. A sum of $52,000 has been reserved for additional rebate on current loans and $100,000