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PRINCIPAL CONTENTS OF THIS ISSUE.

FRENCH INVESTMENTS IN CANADA.

While Canada is not taxing the voracious appetite of London for its investments, the rate of our borrowing this year is evidently not sufficiently rapid to keep pace with our development. The Dominion has obtained in the London market nearly twenty-five millions sterling since January. Scarcely a week has passed without the flotation of one or more Canadian issues in Great Britain. France, Germany, Belgium and other European countries have placed a fairly large amount of capital with us.

Aside from the almost extraordinary heavy borrowing being undertaken by Canada in London, the most prominent feature just now is the cultivation of French capital by this country. The lead perhaps was given by the United States, although Canadian financiers refused to allow their cousins to get far ahead. The negotiations for the Chinese Hankow loan, referred to at length in these columns last week, were carried on at an International Banking Conference held in Paris. France is to take its share of this thirty million dollars loan. Strenuous efforts are being made to list United States steel securities on the Paris Bourse. The bonds of American railroads and other corporations are being purchased in large quantities, and the listing of their stocks in the French capital is thought to be the logical result. The Quebec merger stock is to be listed in Paris. French capital is to be interested in the Montreal, Kapatachawan and Rupert Bay Railway Company. The Canadian Mortgage Association, a recently-formed company of French origin, intends to interest about $25,000,000 of French capital in Canadian securities. The Credit Foncier Franco-Canadien, of Montreal, has interested a very large sum in the Dominion. France holds blocks of Lake of the Woods, Quebec Railway, Montreal Power, Dominion Iron and Steel and other Canadian stocks. The French capitalists, we are told, now regard Canada as the bargain counter of the world.

At this particular stage, the paper of Mr. Alfred Neymarck, of Paris, written for the National Monetary Commission, is thus published at a particularly opportune time. He draws attention to the fact that France has escaped the destructive monetary, financial, economic and other crises, or at least has been able to meet their reaction with ease. The chief reasons for this he gives as follows:—

1. The large amount of French savings and of available capital.
2. The increase and distribution of French and foreign securities held in France.
3. The influence exercised upon the rate of interest, the discount rate and upon the banks, their reserves and deposits by this wealth of resources.

In his admirable review, printed in full on another page, he states that on December 31st, 1908, the total of French and foreign securities, including government bonds, negotiable only on the Paris Bourse, without counting securities negotiable either at the banks or on the departmental exchanges, amounted to 133,383,000,000 francs of which 65,738,000,000 were in French bonds and securities, and 67,645,000,000 were in foreign bonds and securities. Together with the securities negotiable on the market, at the Bank, and on the departmental exchanges, the total of the securities negotiable in France is not less than 155,000,000,000 to 160,000,000,000 francs. At the present time, French capitalists possess 105,000,000,000 to 110,000,000,000 francs in bonds and securities, yielding them annually from 4,000,000,000 to 5,000,000,000 francs, for the income from the investments must be estimated not according to the present reduced rate, but according to the rate at the