

quotes 4, as against 2 5-8 quoted in the private market. No further financial disturbances have occurred in Paris and the situation there has been materially strengthened by the gold shipments forwarded from New York. All of the European markets have been relieved by the progress made in the Mexican matter. It is considered that the passing of several weeks without any sign of resumption of hostilities is a most favorable development. In Europe, however, the diplomatic and other experts do not share the confidence felt in the United States that the elimination of Huerta will bring the Mexican question practically to a point where settlement will be easy. The Europeans remember that Villa, Zapata, and other so-called constitutionalist leaders, are little better than bandit chiefs, and that they are all regarded with great repugnance by the better class of Mexicans.

NEW YORK MONEY.

Although the gold export movement is said to have exerted a hardening influence upon the New York money market the quotations for interest have not advanced to any great extent. Call loans are $1\frac{3}{4}$ to 2 p.c., most of the business being done at 2. Sixty day loans are $2\frac{1}{2}$ p.c.; ninety days, $2\frac{1}{2}$ p.c.; and six months, 3 p.c. The sterling exchange market in New York continues very strong. During a considerable part of the week demand sterling has ruled at 4.88 or higher.

BANKS IN GOOD SHAPE.

Clearing house banks reported large increases of surplus in their Saturday statement. In case of banks and trust companies combined the gain in surplus amounted to \$11,249,000. It was brought about through loan contraction of \$32,000,000 and cash gain of \$5,800,000. Surplus reserve at the end of the week amounted to \$50,950,000. In case of the banks alone the contraction of loans amounted

to \$24,780,000; the cash gain was \$1,600,000; and the gain in surplus \$7,682,000. It will be seen that the banking institutions at the big American centre are getting in strong shape for financing a trade and industrial expansion. It is generally conceded that with the favorable crop outlook and the strong position of the banks, the only thing wanting to hasten the coming of better times is revival of confidence in the investment markets. And it is believed that confidence would rule among the investing classes if the Government would give some indication of its intention of decreasing its activity in attacking and embarrassing business, big and little.

EVADING THE BRITISH INCOME TAX.

One of the points of Mr. Lloyd George's new budget which is of particular interest to Canada is that those who have hitherto evaded the income tax by investing in, for instance, bonds with coupons payable outside Great Britain, and then re-invested the proceeds of the coupons, will henceforth have to declare the amount of their income so re-invested and pay tax on it at the stiff rate of about 6.66 per cent. There is little doubt that Canadian investments have been very largely utilised for this action. Probably, indeed, Mr. Lloyd George's famous budget of 1909 resulted in the sending of scores of millions of dollars of the capital of British rich men to Canada as a consequence of the heavy imposts placed upon it at home. Whether as a result of the new budget's provisions, these investments will lose their special popularity remains to be seen. It is, however, suggested that in spite of penalties there will be still much evasion so that possibly the effects of the new law may not be felt in Canada very suddenly or very much.

ABSTRACT OF THE BANK STATEMENT FOR APRIL, 1914.

(Compiled by The Chronicle).

	April 30, 1914.	March 31, 1914.	April 30, 1913.	Month's Change.	Year's Change.
LIABILITIES.					
Circulation	\$ 93,064,460	\$ 96,848,384	\$ 98,100,111	— \$3,783,924	— \$5,035,651
Demand deposits	350,515,993	345,590,642	365,340,002	+ 4,925,351	— 14,824,009
Notice deposits	653,679,223	646,143,604	631,160,280	+ 7,535,619	+ 22,518,943
Foreign deposits	113,403,809	114,523,736	103,925,361	— 1,119,927	+ 9,478,448
Total liabilities	1,311,668,638	1,299,017,586	1,285,071,059	+ 12,651,052	+ 26,597,579
ASSETS.					
Specie	46,402,984	45,661,913	39,337,223	+ 741,071	+ 7,056,761
Dominion Notes	95,666,945	96,227,321	94,590,262	— 560,376	+ 1,076,683
Deposit in Central Gold Reserve	3,250,000	3,500,000	—	— 250,000	—
Securities held	101,638,280	102,408,341	102,138,113	— 770,061	— 499,833
Canadian call loans	68,523,774	69,088,240	69,757,912	— 564,466	— 1,234,138
Foreign call loans	139,937,027	145,218,223	103,212,185	+ 5,281,196	+ 36,724,842
Canadian current loans	* 865,873,876	* 855,381,265	* 898,964,181	+ 10,492,611	+ 33,090,305
Foreign current loans	54,362,513	53,279,411	36,310,033	+ 1,083,102	+ 18,052,480
Loans to municipalities, etc.	30,168,812	31,890,843	—	— 1,722,531	—
Total assets	1,557,828,425	1,546,622,640	1,527,088,246	+ 11,205,785	+ 30,740,179

*Inclusive of loans to municipalities, etc.