has been misguided. The co-operative movement inaugurated two years ago has done something to guide enterprise in a better direction and in view of the points mentioned a hopeful view would appear to be well justified at the present time.

Curiously enough, the gilt-edged market, in which in these days, one expects to find the first signs of droopiness, has withstood the general tendency downwards a good deal better than other sections. To some extent this is accounted for, no doubt, by the paying-off of the War Loan on Tuesday, which would naturally result in a great amount of re-investment. While trustees engaged in re-investment would, of course, go no further than the inner circle of choice securities, it may very well be doubted if all the money paid to the ordinary investor on Tuesday, has gone back into stocks of a similar class to the War Loan. One imagines rather that a good deal of it has gone into securities with a higher yield—the pressure of present-day circumstances is irresistible—and the reports of investment brokers confirm this view. *Apropos* of gilt-edged securities. I see that the suggestion is again being brought forward that bear operations are responsible for the depreciation in consols and kindred securities, and that, as in the case of bank shares, operations of this kind should be prohibited by Act of Parliament. As a matter of fact, speculation in the consol market during recent years, whether bear or bull has been quite a negligeable quantity; in comparison with the active speculation which used to be carried on in this market years ago it may be said indeed not to exist.

Good Trade Returns.

The March trade returns are certainly satisfactory. Imports during the month were £58,120,393, an increase over 1909 of £6,106,928, or 11.7 per cent.; the exports, £34,391,558, an increase of £2,486,885, or 7.7 per cent. The figures are better than they appear, as this year the number of working days in March was less than those of last year owing to the Easter holidays which last year came in April. In imports the largest recorded increase is in wool which is up £1,417,900, but the list is rather chequered, notable declines being registered by grain and floor, raw cotton, tobacco and wollen fabrics. Exports show uniformly small increases and the percentage is not so good as in either January or February, but the lessened number of working days sufficiently explains this falling off.

Probably a better index of how we stand is afforded by the figures of the past quarter. The figures for three months of the current year are as follows: Imports, £165,182,394; home exports, £100,886,543; re-exports, £26,775,712. These figures show that not only have we got well ahead of 1909 and 1908, but we are within measurable distance of the figures of that fine trade year, 1907. Reckoning both exports and re-exports together we are within £535, 000 of the corresponding figures of 1907, and inspection of the detailed figures shows that both great and small industries are benefiting in increased exports. To some extent, of course, the figures given represent a rise in prices, but when allowance has been made for this the results are very good indeed. Increases in exports during the quarter include £2,901,060 in cotton goods; £2,135,800 in woollens, £1,198,-200 in iron and steel, £920,400 in ships; and £677,-500 in apparel.

Lloyd's shipbuilding returns are also very good. On March 31, there were 386 vessels of 1,057,636 tons gross under construction in the United Kingdom, which is 144,000 more tons than that in hand at the end of December, and is about the same in advance of the figures of twelve months ago. In addition there are 77 warships building of 303-685 tons displacement.

The Monetary Outlook.

The monetary situation is still such as to cause a little uneasiness regarding the future. The big Exchequer bond operation was managed quite smoothly, but other possible government borrowings are looming up. The £4,000,000 4 months Treasury Bills offered this week did not go particularly well in comparison with recent issues. Applications were only £6,858,000 and the average price was just over 3⅝ per cent., a fraction more than that paid for the last issue on March 21, of 4 millions three months' bills. There are now 34 millions of Government paper standing.

Prior to the appearance of the bank return the news that about 1½ millions of the metal had been engaged in New York and £250,000 in Holland and a weakening effect upon the market. A rise in the bank rate had not been anticipated this week, but the return was certainly disappointing. Gold movements resulted on the week in an inflow of £456,000, but this was more than offset by provincial requirements, with the result that the reserve is down to £22,764,675, comparing with £27,194,-895 last year, while the proportion of reserve to liabilities is no more than 39.55. So a 5 per cent. rate remains a possibility, £300,000 of the metal has gone to Brazil this week, to be followed, it is expected, by another £700,000. The Bank of the Netherlands which has lately been losing gold steadily to Germany has now raised its rate from 4 to 5 p.c.

Canadian Doings.

Grand Trunks have been extremely active all week. The report made a very favourable impression and coupled with recent good traffic returns gave a decided stimulus to the bulls. The market has naturally reacted in sympathy with the fall elsewhere, but in some quarters the ordinary are still talked to 30. The expected prospectus of bonds of the Grand Trunk Pacific Branch Lines Company has made its appearance. £1,270,500 4 p.c. first mortgage sterling bonds due in 1936 are offered at 98½ p.c. and are unconditionally guaranteed by the Government of the Province of Saskatchewan. The instalments are spread till next September, the first half yearly coupon being due on the 1st November. Additional bonds ranking *pari passu* with this issue may be created. but only when the Government guarantee has been authorized by the legislative assembly.

Another interesting Canadian flotation of the week is the Dominion of Canada Trust Corporation. Of its share capital of £500,000 (495,000 ordinary shares of £1 each and 100,000 deferred shares of 1s. each) 400,000 ordinary shares are now offered for subscription. The holders of the ordinary shares "are entitled to receive a fixed cumulative