

**Commercial Bank**  
**CANADA**

TORONTO

Capital \$7,000,000  
Reserve \$7,000,000Letters of Credit negotiable in  
all parts of the world.127 branches throughout the  
Canada.**DEPARTMENT**The bank, where money  
is deposited and interest paid.Cor. St. James and McGill St.  
Lawrence Blvd., Maisonneuve.**THE**  
**Bank of Canada**  
Incorporated 1869Capital \$25,000,000  
Reserve \$11,560,000  
Surplus \$13,500,000  
Total \$50,060,000OFFICE: MONTREAL  
H. J. HOLT, President  
General Manager  
NADA and NEWFOUNDLAND; 35  
TO RICO, DOMINICAN REPUBLIC  
BRITISH WEST INDIESNEW YORK  
Cor. William and Cedar Streets  
ARTMENTS at all Branches**HIS BOY.**

The city to see the boys as they  
his war had an interest for him,  
as going. It makes a deal of  
count and kind of interest you  
of a body of troops to actual  
stand in the place of the fa-  
ther to see "his boy" off to the front,  
of parental love can be stirred,  
the doors of the armories, and  
for duty to go to the train. He  
can-cut, broad-shouldered, and  
any father could have been  
riding breeches, leggings and  
side him look every inch a sol-

around the last corner before  
the father caught up to "his  
ere only a few minutes before  
would miss him? Yes. He was  
and was the very apple of his  
ing—yes, in only a few minutes  
uld come. With a heart fort-  
bear the parting like a man,  
lad's hand. There wasn't a  
ay, but there were volumes in  
pt "his boy." He had carried  
a babe, he had helped him to  
him through the years when  
rong, and now he had reached  
at any one might be proud to  
was going away.

himself in the crowd. He had  
was not going to make it hard  
duty called.

looked there, so close to him. A  
he troopers to attention. There  
r. With quick step he reached  
pent-up love of a father broke  
went around the broad should-  
th the tenderness of a mother  
and kissed him. There wasn't  
ce.

**INDICTMENT.**

On Sunday prayers for peace  
la out representatives to the  
ing more can be sold them to  
praying that the sword shall be  
share and the spear into the  
at day will not come so long  
n. our harbor can be loaded  
ms, ammunition and military  
ance papers to a port of a  
Street Journal.

**COMMERCE--the****COMMERCE**

own and Province

No. 102

**INCREASING DEMAND  
FOR BRITISH GOODS****Mother Land and Colonies Alive to  
Necessity of Grasping German  
Trade****INFORMATION THE WORLD OVER**

Governments of South Africa, and Australia Both  
Ready to Lend Financial Aid to the Banks if That  
Should be Found Desirable.—Trade With Brazil  
and Argentina Requires Caution.

London, September 3.—The British Board of Trade  
has begun an active campaign to wrest from Germany  
her extensive trade, not only with the British Colonies,  
but with the rest of the world.

Shortly after the outbreak of the war the board re-  
quested British consuls to cable information as to finan-  
cial and commercial conditions in their districts and  
as to likelihood of regular payments being forth-  
coming for goods supplied.

This information has been embodied in a special  
report submitted to the manufacturers of the United  
Kingdom, and is as follows:

**Finance Reputable Merchants.**

South Africa.—H. M. Trade Commissioner reports  
(August 17) the existence of depression due to drought  
which was accentuated by the war.

Prices for foodstuffs rose to a high level at first, but  
corrected action by the merchants and the re-assuring  
statements which the Dominion Government was in  
a position to make resulted in prices of present stock  
being fixed at 10 per cent. more than the normal  
market price.

The action of H. M. Government regarding insur-  
ance against war risks is highly appreciated. The  
banks are fully prepared to finance reputable mer-  
chants as hitherto, and merchants are ready to carry  
on trade.

Indents supplied previously by Germany and Aus-  
tralia will be executed by the United Kingdom and  
France. The unavoidable decrease in the exports of  
diamonds, hides and feathers will affect the com-  
munity proportionately.

**Importers Position Satisfactory.**

Canada.—H. M. Trade Commissioner reports (Aug.  
16) that, according to the information which he has  
been able to obtain, the present financial condition  
of importers is generally satisfactory.

The approximate value of import trade from Ger-  
many is \$3,000,000.

The following is a list of certain goods in which  
in his opinion British firms might extend their trade  
as the result of existing conditions:

Bristles.  
Cuttery.  
Carding machinery.  
Copper tubing.  
Electrical apparatus.  
Enamelled ware.  
Furs.  
Ferro-silicon.  
Fabrics for neckties.  
Gelatine.  
Glassware.  
Gloves.  
Gun wads.  
Hides.  
Hops.  
Lamps.  
Rubber.  
Skates.  
Socks.  
Toys.  
Velvets.  
Zinc bars.  
Carbons.

**Support Banks If Necessary.**

Australia.—H. M. Trade Commissioner in Australia  
reports (August 17) that the financial position in that  
market is strong. The Federal Government is pre-  
pared to support the banks, if necessary, and the  
execution of Federal, public and State works will be  
continued. The commercial position appears to be  
sound, as the banks are adequately supporting mer-  
chants. He considers that there is a good opportu-  
nity for manufacturers to secure valuable trade.  
Firms should call to their agents that they are able  
to fill orders if they are in a position to give this  
assurance. Particular attention should be directed  
to trade in fencing wire, mild steel, wire netting, cot-  
ton hosiery, minor articles for apparel, rubber goods  
and china ware.

New Zealand.—H. M. Trade Commissioner reports  
(August 19) that the present conditions of trade are  
disturbed, but he anticipates that this is only tempo-  
rary, and considers prospects to be good, and regular  
payments likely to be maintained. The demand for  
necessaries is not likely to diminish. An increasing  
demand for British goods may be expected, but prompt  
overtures should be made so as to anticipate com-  
petition from America.

**Trade in German Hands.**

Brazil.—H. M. Consul-General at Rio de Janeiro  
reports (August 18) that an opportunity certainly  
offers for British firms to secure trade now in Ger-  
man hands. Traders should make arrangements for  
payment in gold and not in paper currency, since the  
Government proposes to make a large local issue of  
paper and in all probability exchange will decline  
sharply. British firms desiring to transact busi-  
ness should send competent representatives possessing  
the necessary technical knowledge to study local con-  
ditions. H. M. Consul adds that in Rio de Janeiro  
firms are in good financial position, and it should not  
be difficult to secure regular payment, but the utmost  
caution should be exercised in the choice of custom-  
ers.

Argentina.—The British Consul-General at Buenos  
Aires reports (August 14) that the preponderating  
share of the trade is already in the hands of British  
firms. Banks refuse to give credit and there is no  
money to be had. Grain stocks cannot be moved be-  
cause bills cannot be drawn on Europe, and the  
banks can no longer finance cultivators. Regularity  
of payments cannot be relied upon. There is a  
danger of depreciation in the value of currency; and  
it is stated that the Government proposes to prohibit  
the exportation of wheat, the effect of which would  
be to diminish purchasing power.

**Fully Alive to Situation.**

China.—The British Consul-General at Shanghai  
reports (August 15) that the Shanghai merchants are  
fully alive to the situation. The difficulty in getting  
shipments away is the main trouble. The demand for  
Chinese merchants are confident that business will  
shortly be resumed on a small scale. Silk spinning  
mills, cotton mills and industrial undertakings gen-  
erally are working, but the market is depressed by  
the stock of cereals which, under normal conditions,  
would have been shipped to the Continent of Europe.

**PRESSURE IS EXERTED  
AGAINST WAR TAXES**

Liquor and Tobacco Men Opposed—Maintain That  
Traffic is Carrying all it Can Bear.

Washington, September 3.—Strong pressure is be-  
ing exerted by the distilling, brewing and tobacco in-  
terests to prevent the adoption of increased rates on  
their products in the bill that will shortly be pre-  
sented to raise additional revenues for the govern-  
ment to meet deficits in customs caused by the war.  
It is known that spirituous liquors, malt, beverages  
and tobacco products are among the articles that  
will receive attention when Congress gets ready to  
pass the war revenue bill. The rates on beer and  
tobacco products undoubtedly will be increased, al-  
though to what extent has not yet been determined.

Objection in Congress is made to an increase in  
the rates on whiskey because it is believed that the  
traffic is now carrying all that it will safely bear.

The argument is made that any increase in the  
whiskey rates might lead to extensive illicit distilling,  
and, further, that this production is capable of man-  
ipulation through proof in a way to prevent the  
government from collecting any excess in rates be-  
yond those now levied under existing laws.

However, it may be said on authority, that not  
even a tentative revenue bill has been proposed.

Nothing will be done in this matter until Congress  
hears from President Wilson. He is expected to  
forward a message on the subject. Following this,  
Chairman Underwood will take up the question with  
experts of the treasury.

The indications are that the revenue bill will not  
be offered in the House until the end of debate on the  
trust bills in the Senate is in sight.

**CLOSING PORT OF VERA CRUZ WILL  
RESULT IN MONETARY LOSS.**

Washington, September 3.—The action of Provi-  
sional President Carranza, in closing the port of  
Vera Cruz, will, it is believed, result in a heavy  
monetary loss to the new government.

President Carranza made possible a considerable  
loss to his treasury when he closed the port of Vera  
Cruz, according to administration officials to-day. It  
was pointed out that any falling off in the customs  
receipts of the port because of the order ultimately  
will be borne by the Carranza government.

Part of the Vera Cruz duty collections are pledged  
to redeem a loan advanced to former dictator Huerta  
by French bankers. The remainder of the funds  
collected under American supervision are impounded  
to be returned to the Mexican treasury at a later  
date after the cost of administration has been de-  
ducted.

State Department officials point out that the order  
of Carranza evidently was aimed by the Provisional  
President, to divert commerce from Vera Cruz to  
points under control of the Mexican authorities and  
thus increase the customs returns paid directly to  
his government.

The question of withdrawing the military and naval  
forces from Mexico has not been formally consid-  
ered, and there has been no indication in official circles  
of such a move up to the present.

**VETERAN PUBLISHER WOULD  
ASSIST THE UNEMPLOYED**

Another method of assisting the unemployed thus  
helping to minimize the need of Charity, has been  
devised by Mr. W. J. Southam, the veteran newspaper  
man of Hamilton, Ont., who has written to the Board  
of Control in that city suggesting that, in order to  
provide work for laborers, the municipality issue de-  
bentures in connection with a certain contemplated  
local improvement to the total of \$250,000. Mr.  
Southam says that he is willing to buy the debentures  
for the sum mentioned. He is willing that a  
fair wage clause shall be inserted.

**WILL GOLD BE CONFISCATED.**

New York, September 2.—It is asked what the  
Bank of France will do with its \$300,000,000 of gold  
if any real siege of Paris is threatened. The reply  
is that when the Germans occupied Paris in the war  
of 1870-71 they respected the gold in the Bank of  
France because that institution is private property.  
This is one of the best tested international laws.  
Had the bank been a government institution the gold  
would have been confiscated.

Paris has not been captured yet, but unless the  
German campaign is pure brigandage the precedent  
should hold.

**REGULAR DIVIDEND.**

New York, September 3.—American Steel Found-  
ries Company declared regular quarterly dividend of  
1/4 of 1 per cent, payable September 20, to stock of  
record September 12.

Report for six months ended July 31 shows loss  
from operations of \$188,000.

**U. S. GOVERNMENT ASKED TO TAKE CHARGE.**

Washington, September 3.—Ambassador Spring-  
Rice, of Great Britain, stated that the United States  
Government would be asked to take charge of the  
Embassies of the various powers in Paris, when the  
French Government is transferred to Bordeaux. The  
Ambassador stated he has not yet been informed  
officially of the transfer.

**BRITAIN'S BUSINESS HONOUR.**

As an illustration of the high sense of honour exist-  
ing among British business men here is an example.  
One of the largest importers of British goods showed  
to a representative of the Journal of Commerce an  
account running into thousands dated August 18. On  
it was a specially pasted type written slip bearing  
these words: "If when this amount is due for pay-  
ment the rate of exchange is still abnormally high,  
kindly pay in the ordinary dollar equivalent (of \$4.85  
per pound) to our credit at the Bank of Montreal."

**THE STEEL SITUATION.**

New York, September 3.—That there has been a  
falling off in domestic orders for steel is admitted.  
On the other hand, the manufacturers regard ex-  
port outlook as much brighter. Some of the inquiries  
from foreign markets have developed into orders but  
the buying so far has been small compared with  
what it was before the war. The most favorable  
feature is the ability of producers to maintain  
prices.

**AMERICAN HIDE AND LEATHER STATEMENT.**

New York, September 3.—Report of the American  
Hide and Leather Company for year ended June 30  
shows a trading profit of \$1,023,481, compared with  
\$1,488,872 in the preceding year. Surplus after in-  
terest and other charges was \$107,205 against \$475,-  
517 in the year before. Total current assets were  
\$12,132,202, an increase of \$438,808. Current Liabil-  
ities were \$2,894,281, an increase of \$354,348.

**REPORT HAS BEEN CONFIRMED**

British Embassy in Washington Receives News of  
Brilliant Victory of Cavalry Reported  
This Morning.

(Special to The Journal of Commerce.)  
Washington, September 3.—The British Embassy  
received from the British Foreign Office in London  
dispatches confirming the reports of fighting on the  
Continent as announced by the Official Press Bureau  
in London. The message read: "In France con-  
tinued fighting has been in progress along almost the  
whole fighting line of battle. British cavalry engaged  
successfully, the cavalry of the enemy, pushed them  
back and captured 10 guns. Northern army has con-  
tinued the offensive and gained ground in Lorraine  
region. In other theatre of war the Russian cavalry  
is investing Koenigsberg. The Russians completely  
routed a whole Austrian army corps near Lemberg, in-  
flicting enormous losses and capturing 150 guns."

**INADVISABLE TO OPEN  
CONSOLIDATED EXCHANGE**

New York, September 3.—In deference to the ex-  
pressed wish of the Clearing House Committee of the  
banks, the Governors of the Consolidated Stock Ex-  
change have decided that it would be inadvisable to  
open the Exchange at this time.

This decision was reached at a meeting of the Board  
of Governors, following the presentation of the re-  
port of the Committee of Five, who were appointed  
to consider the question of re-opening the Exchange,  
to which committee the President, M. E. DeAguiro,  
was added.

**WILL OPEN S. A. BRANCHES AT ONCE.**

New York, September 3.—Frank A. Vandell,  
President of National City Bank, says that the bank  
is ready to start operating its South American  
branches as soon as it is officially notified that its  
application to the Federal Reserve Board has been  
granted.

The bank has received word from Washington that  
the Federal Reserve Board has given permission to  
it to open its two branches in Rio de Janeiro and  
Buenos Ayres. Official notification has not yet been  
given.

**TORONTO GRAIN MARKET**

(Special Staff Correspondence.)

Toronto, September 3.—Values of cash northern  
wheat to-day were steady at last night's advance  
of one cent. The demand however, was light, and  
there was little business passing. Oats also were  
firm but quiet. A fair trade was done in Manitoba  
flour at unchanged prices, while the Ontario flour  
market continued slow, prices being purely nomi-  
nal. The situation in peas was strong. Prices of  
milled feed steady under an exceedingly strong  
demand.

Quotations.—No. 1 Northern wheat, lake ports, \$1.25;  
No. 2, \$1.24; No. 2 C. W. Oats, 62c; No. 3, C. W. S.  
61, nominal; Ontario oats, new, outside, 50 to 51c;  
Ontario wheat, Toronto, \$1.15 to \$1.20. Peas, out-  
side, \$1.10 to \$1.15; barley, 68c to 70c; Manitoba spring  
patents, \$6.50, in July; Ontario, 90 per cent, patents,  
\$5 in bulk, purely nominal. Rolled oats, \$5.50 per  
barrel. Corn meal, \$2.65 to \$2.75 per sack; Bran,  
\$25; Shorts, \$27; Middlings, \$30; Feed flour, \$32.

**UNITED STATES NEEDS ONE HUNDRED  
MILLION.**

Washington, September 3.—The President's mes-  
sage, asking for \$100,000,000 more revenue, will be  
sent to Congress at 12.30 to-morrow.

Chairman Underwood, of the House Ways and  
Means Committee, stated that the new bill to raise  
the revenue would be presented to the House next  
Monday. It will consist largely of a stamp tax on  
various articles.

**SILVER AT LONDON.**

London, September 3.—Silver 24d, unchanged.

**PIPE LINE CERTIFICATES.**

New York, September 3.—Arrangements have been  
perfected for trading in pipe line certificates on the  
Pittsburg Stock Exchange.

**FIRST CASE OF RATE CUTTING.**

Chicago, September 3.—Railroads entering Spring-  
field, will make a rate of 1 1/2 cents per mile for the  
state fare next month. This is the first general  
break of railroads agreement to maintain 2 cents  
per mile minimum.

**LIVERPOOL CLOSE.**

Liverpool, September 3.—Wheat closed up 2 1/2 d, Oct.  
8s 9 1/2 d. Corn unchanged, Oct. 6s 7 d.

**REDUCTION IN PRICE OF OIL.**

Houston, September 3.—Standard Oil Company of  
Louisiana has reduced price of Caddo Light Crude and  
De Soto Crude oil 5 cents to 80 cents a barrel.

**GEO. W. PERKINS OPTIMISTIC.**

Chicago, September 3.—George W. Perkins, who is  
here on a business trip, predicts unprecedented wave of  
prosperity in the United States. "The present un-  
certain business conditions will pass as soon as we are  
able to readjust ourselves to the new condition caused  
by the European war," said Mr. Perkins. "Eventually  
there will be unprecedented prosperity."

**5 TO 10 HOURS DELAY.**

New York, September 3.—Cable companies report  
that business from England and the Continent is be-  
ing seriously delayed owing to strict censorship and  
that delays vary from 5 to 10 hours.



A SESSION OF THE COURT OF KING'S BENCH  
(Crown Side), holding criminal jurisdiction in and  
for the DISTRICT OF MONTREAL, will be held in  
the COURT HOUSE, in the CITY OF MONTREAL,  
on THURSDAY, the TENTH DAY OF SEPTEMBER  
NEXT, at TEN o'clock in the forenoon.

In consequence I give PUBLIC NOTICE to all who  
intend to proceed against any prisoners now in the  
Common Gaol of the said District, and others that  
they must be present then and there; and I also give  
notice to all Justices of the Peace, Coroners and  
Peace Officers, in and for the said District, that they  
must be present then and there, with their Records,  
Rolls, Indictments and other Documents, in order to  
do those things which belong to them in their respec-  
tive capacities.

P. M. DURAND,  
Deputy Sheriff.

Sheriff's Office,  
Montreal, 24th August, 1914.

**FURNESS LINER SHENANDOAH  
RAN AGROUND THIS MORNING**

Came Limping Into St. John Harbour After Smash-  
ing Up Bows at Little Musquash in  
Heavy Fog.

(Special Correspondence.)

St. John, September 3.—With a gaping hole in her  
port bow, away below the water line, the Furness  
Liner Shenandoah, Captain William M. Lee, limped  
into port this morning about 9.30 o'clock and is now  
aground on the Navy Island Bar in St. John Har-  
bour. In a dense fog about 5 o'clock this morning  
she ran ashore at Little Musquash about fifteen miles  
down the bay.

The Shenandoah, which was being piloted from  
Halifax by James Bennett, was groping her way  
through one of the densest fogs of the season, when  
land was sighted ahead only a few hundred feet and  
before the steamer's course could be altered or her  
speed reduced she had struck. She did not remain  
long in this position, however, and when full speed  
astern was ordered the vessel slid off again into  
deep water. She was making water rapidly. The  
pumps were put to work and she was hurried with  
all speed to port.

Meanwhile a message was sent to the city ask-  
ing for aid and when the steamer was coming up  
the harbor she met a fleet of eight tugs going down  
to her assistance. She is now high and dry on Navy  
Island Bar.

The Shenandoah was from London via Halifax,  
and had about 330 tons of general cargo to be land-  
ed at this port. The most of it is stored in after  
holds and the damage to cargo is therefore expected  
to be light.

**SEPTEMBER PRODUCTION OF STEEL  
BELOW THAT OF AUGUST.**

New York, September 3.—The production of the  
country's steel mills in September may not be up  
to the output in August but the earnings this month  
will compare favorably with the preceding month.

This will be due to the fact that while the produc-  
tion in August may have been larger than it will be  
in September, higher prices will be more fully re-  
flected this month.

There has already been a falling off in the United  
States steel production but this has been due largely  
to demoralized export conditions.

**COPPER BUSINESS SLACK.**

New York, September 3.—Not much business is be-  
ing done in copper, but one producer reports better  
feeling in the trade and says that if anything price  
situation is a little firmer. Quotation for electro-  
lytic copper is generally 12 1/2c a pound and so far  
consumers have not objected to this price.

It is not likely that copper producers will issue an  
August statement next week, although no official  
announcement to this effect has been made. July re-  
port was not issued and conditions at present show  
no improvement over month ago.

**BANK RATE UNCHANGED.**

London, September 3.—Bank of England minimum  
rate of discount remains unchanged at 5 per cent.

**REFINED SUGAR LOWER  
THAN THE RAW PRODUCT**

The expectation some time ago was that the plant  
of the Atlantic Sugar Refineries, Limited, at St. John,  
N.B., would be completed and ready for operation  
between September 1st and 15th, but that result,  
owing to delays induced mainly by the war, will not  
now be realized.

Good progress has been made toward the comple-  
tion of the plant, but even if the machinery were  
already installed, operation would have to be post-  
poned owing to the difficulty of securing raw ma-  
terial.

The present price of refined sugar, strange to say,  
is below the market for the raw product.

**THE KING AND QUEEN VISIT HOSPITAL.**

London, September 3.—King George and Queen  
Mary to-day paid an unexpected visit to the Queen  
Alexandra Military Hospital, where many of the  
British officers who were wounded in the fighting  
in France and Belgium are confined. They spent  
more than an hour in the hospital, and their presence  
greatly cheered the disabled soldiers.

The Royal couple visited each ward in turn, shook  
hands with the wounded, and while the King praised  
them for their bravery, the Queen presented each  
with a little bunch of flowers. The King and Queen  
expressed the wish that the wounded men would  
speedily recover.

"So do we," replied some of the officers. "The  
sooner we recover, the sooner we can get back onto  
the firing line."

The Royal couple smiled their appreciation of this  
exhibition of eagerness to battle for England's cause.  
The King and Queen, after paying their visit to  
all the wounded, made a thorough inspection of  
the hospital equipment, and left instructions that every-  
thing possible must be done for the comfort and  
speedy recovery of the wounded.

Queen Alexandra, mother of King George, and  
Princess Victoria, also visited the hospital, bringing  
flowers and fruit to the wounded, and spent some  
time chatting with them.

**DECLARED DIVIDEND.**

New York, September 3.—Central Petroleum Com-  
pany declared its regular semi-annual dividend of  
\$2.50 per share on preferred stock, payable October  
1, to stock of record September 19.

**DECLARED DIVIDEND.**

New York, September 3.—South Porto Rico Sugar  
declared regular quarterly dividends of 2 per cent,  
on preferred and 1 per cent, on common stock, payable  
October 1, to stock of record September 12.

**GOLD AT LONDON.**

London, September 3.—Bank of England bought  
£200,000 United States gold coin and £618,000 gold  
bars.

**KANSAS WHEAT MAD.**

Topeka, Kas., September 3.—The big wheat crop  
of this year, the high prices now obtaining, and the  
belief that the European war will drag out beyond  
the planting time next year have driven Kansas  
farmers wheat mad. Estimates coming from all  
over the State indicate that all previous wheat ac-  
resages will be exceeded this fall. The figures showing  
that probably more than 10,000,000 acres will be  
planted. Something more than 8,000,000 acres was  
harvested this year, producing a crop of approxi-  
mately 186,000,000 bushels. Thousands of farmers  
in Kansas are holding their wheat expecting to real-  
ize at least \$1 a bushel net for it, as the result of  
the war.

**BANK OF ENGLAND  
RETURN GOOD ONE****Proportion of Reserve to Liabilities  
Recovered Four Points Since  
Shock of War****BANK RATE UNCHANGED.**

Reduction of £284,000 in Circulation May Be Due to  
Contracting Trade.—Further Increase of £10,000,  
000 in Loan Items.

New York, September 3.—A small but encouraging  
increase in the proportion of reserve to liability is  
shown in the Bank of England's return. It need  
hardly be said that such a proportion as 19.94 per  
cent. is entirely abnormal. The average for this  
week of the year is a high one, at 12.67 per cent.  
But comparisons of that kind are useless; and it  
is more to the point to say that the proportion has  
recovered nearly four points since the first shock of  
the war financing.

Upon the whole, the return is a good one when  
the strain upon the Bank of England is considered.  
The reduction of £284,000 in circulation may be due  
to contracting trade, but it is interesting to note  
that there is no increase in the inflation authorized  
by the suspension of the Bank Act. As might have  
been expected, there is a further increase of over  
£10,000,000 in the already large loan items, but the  
deposits with an increase of £14,700,000 make a fa-  
vorable comparison. Both items show the influence  
of heavy treasury borrowing and the financing neces-  
sary to clear the exchange situation. The gain of  
£4,500,000 in the reserve is especially satisfactory,  
accompanied as it is by a further gain of £4,300,000  
in the bullion holdings. In conditions without pre-  
cedent, there is no profit in discussing the bank's  
minimum discount rates, which at 5 per cent. is  
largely, though not entirely, nominal. As the normal  
movement of trade is gradually resumed, the rate will  
convey real