

## THE BOND MARKET

Spencer Trask & Co., of New York, in their monthly review of the bond market say in part:

By far the most conspicuous development in August was the improvement of the money situation. Relief came from various quarters: from Washington, from Europe, and from a realization that owing to deterioration, the crops would be moved with less strain than had been expected previously.

The individual action that was the most effective in bringing about the improvement was that of the Secretary of the Treasury in arranging to place \$50,000,000 of Government money in banks of the South and West to facilitate harvesting operations. The effect of the announcement was an immediate stimulation of the markets, as it was figured that one of the main clouds overhanging the situation had been dispelled.

That the action of the Secretary has been successful in bringing about an easier condition in the money market is evident from the freer offerings of time money as well as from the lowering of rates, and to that extent the country should be pleased. Whether, however, the move is not open to severe criticism on grounds more substantial than those of temporary expediency, is a question. There are authorities throughout the country who feel that the entry of the Government into the banking field is inherently unwise and unsound, and that a step such as this brings us to the verge of inflation.

Another factor that has brought about a more favorable outlook for money is the improved feeling in Europe. Peace between the former Allies has at last been signed after a campaign that has shocked the civilized world by its atrocities, and has left the participants exhausted physically, and practically, if not actually bankrupt. How impaired is the credit of the Balkan States is evident from the fact that they have recently attempted unsuccessfully, it need hardly be said—to obtain loans in this market, offering rates nothing less than usurious.

Every Balkan State, barring Roumania, whose armies saw little actual fighting, needs an enormous amount of money for rehabilitation, reconstruction and reorganization, and to this should be added the millions that Turkey must have to repair the wastes of her two unsuccessful wars. The only good we can discern through the smoke of all those burning villages is that it will be a long time before any of the combatants will be able to wage another serious war unaided by a larger Power, and from that standpoint there is some real compensation for this fight to a finish.

All the same, funds have to be obtained sooner or later, and France will undoubtedly be called upon to supply the major part, if not all. This should not prove an altogether unmixed blessing for the financial markets, because as we have pointed out on previous occasions, the French people are known to have been hoarding enormous sums of gold ever since the Moroccan trouble began two years ago.

The conversion of the floating debt of the Balkan States and of Turkey into fixed obligations may have the primary effect of unsettling the European markets, but the results of such disturbances should quickly subside through the liberation of a large amount of banking money. In any event this situation is not likely to develop immediately, and meanwhile we shall have been marketing our crops.

Unfortunately the crops promise to be considerably less generous in volume than had been originally expected. The drought has affected corn seriously, and while the outlook for the other grains and cotton is more than satisfactory, there is no blinking at the fact that the damage to corn will eventually be reflected in the records of trade.

With an easier tendency in money, there has been a coincident increase of interest in bonds, and the new issues brought out have been quickly placed, while older

ones which had been hanging fire, are fast finding lodgment in the boxes of investors.

The advance in bonds is in our opinion calculated to go considerably further, and we are still advising our clients to buy the better grade, instead of issues of a more or less speculative character. It should be remembered while we are steadily growing out of our troubles, conservatism should still be the watchword.

## TRADE INQUIRIES

The following were among the inquiries relating to Canadian trade received at the Office of the High Commissioner for Canada, 17, Victoria Street, London, S.W., during the week ended August 16th, 1913:—

Inquiry is made by a London firm for manufacturers in Canada of round wooden boxes such as are used by pencil and crayon makers.

An English firm interested in the importation of Lactose (Sugar of Milk), are asking for the names of Canadian exporters of this product.

A correspondent in Gordonia, S. Africa, has been making inquiry concerning Canadian canoes of bass wood, with copper rivets suitable for use on the Orange River.

A Toronto firm seeks to correspond with an English house manufacturing office furniture of steel.

The agency of British firms of manufacturing stationers is sought by a Toronto correspondent with experience of the stationery and publishing trade.

From the branch for city tradeinquiries, 73 Basinghall Street, E.C.;

A London firm who import railway ties would be glad to receive offers from Canadian manufacturers of same.

A Toronto manufacturers' agent who is at present in London would like to secure the representation for Eastern Canada of United Kingdom manufacturers of shelf hardware (tools, locks, etc.), builders' hardware specialties.

A Montreal manufacturers' agent who covers the whole of Canada and is at present in London, desires an agency in silver goods and jewellery.

A Montreal firm of importers ask to be placed in communication with United Kingdom manufacturers of cane centres for railway and tramway seats.

A Canadian manufacturer's agent who visits regularly the principal Canadian cities, with headquarters at Montreal and is now in London is looking for agencies of United Kingdom manufacturers of blankets, sheetings and all cotton goods suitable for the making up trades such as manufacturers of men's shirts, and ladies' blouses and underwear.

## OUR LIKING FOR CANNED GOODS.

That the Canadian people are consuming much more fresh and canned meats and lamb and importing a correspondingly less quantity of live cattle and salt beef is indicated in a statistical memorandum of the Customs Department. In 1904 a total of 36,549 horned cattle were imported. In the fiscal year ended March last this had fallen off to 8,128 head. On the other hand, importations of sheep have increased greatly.

In 1904 the total was 72,568 and in 1913, 229,743. Salt beef to the extent of 2,878,670 pounds was imported to 1904. Last year it fell off to 1,433,582 pounds. The consumption of canned meats last year was 2,162,637 pounds, or double that of 1904, while fresh lamb importations have grown from 157,587 pounds in 1904 to 5,630,818 pounds in 1913.