

AFFAIRS IN EUROPE.

Some interesting statements about financial and industrial conditions in Europe are made by Mr. William Hanson, of the firm of Hanson Bros., Montreal, who has just returned from a three months' visit to Great Britain. That gentleman says that when he reached England in February, things were in a very unsatisfactory, almost critical, state. "Every banker and financial man to whom you would speak, whether on the Continent or in Great Britain, was fearing some political complication as a result of the war in the East. Never had I experienced such a disheartening and pessimistic feeling. About a month ago, however, things took a decided turn for the better, and to-day, a very much better feeling prevails. This is largely attributable to the successful conclusion of the 'entente cordiale' arrangement between France and England, which has inspired the confident hope that, come what may between Russia and Japan, none of the larger powers will now become involved.

"The first securities to benefit in the market from these improved conditions were naturally Home Government and Home Rails. Both of these had, during the depression, receded to abnormally low prices. To such an extent had this taken place that the profits of the leading banks during the past year were thereby considerably reduced, and in the case of several life insurance companies, whose quinquennial distribution of profits occurred this year (and whose assets had, therefore of necessity, to be valued), the whole of the profits for the past five years was practically wiped out.

"Kaffirs, too, in which such fabulous sums of British capital are invested (which, during and since the war, had practically gone to smash), have commenced to boom, and I have little doubt will go much higher, largely in consequence of the settlement of the labor question by the importation of the Chinese, and the increased output, which, in March last, about equalled that of September, 1899.

"To give you an idea of what the improvement already means, I may say that taking about 150 of the leading securities dealt in on the London Exchange, the increase in the market value of such securities alone since the last settlement (say for a period of between two and three weeks), has amounted to about £50,000,000."

In Mr. Hanson's opinion, the municipalities during the past three years have under their powers been even more improvident. To such an extent have these powers of borrowing been used, "that the Government has become alarmed and the Chancellor of the Exchequer in his budget speech, intimated that they would be henceforth curtailed, I understand that in most cases the demands of the municipalities for further loans have been absolutely refused during the present session. At least £300,000,000 of new and contemplated municipal loans, I was told, will thereby, for the time being at least, be held up and practically blocked.

Reaching Paris before matters had been smoothed between France and England, he found much the same feeling prevalent as in London, and although in Paris money seemed to be abundant and easy, still they were marking time and sitting tight and practically taking up nothing new."

What he has to say of Germany is very noteworthy:

"I was greatly impressed with the great improvements everywhere observable in Germany. 'A new era,' Reorganized Germany, has taken the place of old regime—magnificent new factories, improved machinery and up-to-date methods are visible in every direction,

and it seemed to me, the world, and especially Great Britain, has more to fear, commercially, from Germany, than from any other country."

Up to the early part of this month, Winnipeg building permits totalled \$2,318,300, an increase of \$1,283,450 over that period of last year.

MONTREAL MARKETS.

Montreal, 18th May, 1904.

Ashes.—There appears to be an impression that there are more ashes in the country than generally calculated heretofore, and dealers are not offering



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RECORD FOR 1903.

Policies Issued and Taken '03	\$4,278,850	Interest Earned, 1903	\$110,428
" " " " '02	3,098,450	" " " " 1902	84,676
INCREASE 38%	\$1,180,400	INCREASE 30%	\$25,752
Business in Force Dec. 31, '03	\$18,023,639	Surplus to Policy-holders, 1903	\$473,963
" " " " '02	15,289,547	" " " " 1902	226,508
INCREASE 18%	\$2,734,092	INCREASE 109%	\$247,455

Average Interest Earned, SEVEN per Cent.

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