How the Week Opened in New York.

Important private conferences of financial and industrial leaders, presided over by Mr. J. P. Morgan, were held on Saturday and Sunday. A number of leading bankers joined in the consultations. While Mr. Morgan was but "hopefully non-committal" when asked as to his views, President Nash, of the Corn Exchange Bank, expressed the following conservatively optimistic opinion:

"I believe that from now on there will be an improvement. The hoarded currency will respond, as it always has, to the tempting premium that is being offered. Gold from Europe is following in, and with it will come a falling off in the excitement about cash."

The ultimate decision to support the Trust Company of America and the London Trust Company had a marked effect upon Monday's stock market. During the morning, also, a general agreement was reached, largely through Mr. Morgan's guidance, by which the trust companies collectively will in future co-operate for mutual protection. The directors promise personal assistance in emergencies. It is understood, however, that conservative methods will be demanded of all trust companies entering upon the agreement. Encouraging reports from Washington indicated that the national banking situation throughout the country was sound, and that the efforts of the Comptroller of the Currency to get notes into circulation were meeting with considerable encouragement.

Although the effect of the 6 p.c. Bank of England rate and the rise of foreign exchange in New York was to make gold importing unprofitable, continued engagements evidenced the determination of American bankers to strengthen their position.

Tuesday, as election day, was a legal holiday in New York. So far as the financial situation was concerned it was signalized by the arrival of the first treasure ship bringing over $7,000,000 in gold. There were additional withdrawals of £750,000 from the Bank of England (Canada securing £25,-000 on the same day). The news of the action taken by the Bank of France in buying £3,000,000 in sterling bills was considered reassuring.

Those bankers who saw Secretary Cortelyou in New York on Tuesday were convinced that there is no intention on the part of President Roosevelt to call an extra Congressional session to pass remedial financial legislation, as it is understood that the administration feels that the situation should settle down to a basis where a proper judgment can be formed on the various proposed changes in the present monetary laws.

Mid-Week Developments in Gotham.

Mr. Oakleigh Thorne, president of the Trust Company of America, published an interesting statement on Wednesday explaining that in anticipation of a financial crisis, the management of that company some months ago commenced to reduce its loans and increase its cash reserves—which at the time of the crisis were largely in excess of the legal requirements. He attributes the run on the Trust Company to the wildest of rumours and public attention directed to the company by newspaper publications. The run was unprecedented in the history of banking. In a few days the company's receipts were in excess of its payments, but it has paid out since the run commenced no less than $34,000,000. To all the rumours reflecting upon the management, or upon the good faith of any of its directors or officers Mr. Thorne gives a most emphatic and explicit denial. There is nothing new unfortunately in a perfectly solvent institution being injured by irresponsible rumour-mongers, but it is not often that the damage done by them is on a scale of such magnitude.

Though stock market operations were, of course, still hampered by financial conditions, Wednesday brought an upward price tendency, which seemed to indicate increasing confidence. The bond market also responded to the influence. The money market showed some signs of relief on the arrival of gold, the premium on currency being reduced. The drop in sterling exchange was looked upon as making likely a continuation of gold imports—but the following day's advance in the Bank of England rate naturally modified this expectation. Reports of further relief from Secretary Cortelyou and the passing of the Tennessee Coal & Iron Company to the United States Steel Corporation were considered favourable news. Under a combination of liquidating sales and bear attack, prices of stocks declined somewhat before the close of the market in the afternoon.

The Situation Yesterday.

The general feeling in New York is certainly somewhat better and the worst is over so far as the banks and trust companies are concerned. The rise in the Bank of England rate yesterday to seven per cent., the highest figure it has reached for thirty-four years, naturally tended to a decline on the New York Stock Exchange. In spite of it, however, prices showed remarkable steadiness. Brokers have begun accepting orders on 25-point margins, but are not encouraging such transactions. They wisely recognize the fact that while, with caution, further serious breaks may be avoided, any attempt at an active speculative movement must involve such banking action as would bring a serious slump.

The worst feature of the New York situation is the scarcity of circulation which the American financiers have been fighting against since 1893. It is believed that cash and currency to the extent of many millions of dollars is in the pockets of the people or in safety deposit vaults. Confidence is the great need of the hour. The United States Treasury has $167,000,000 of National Bank notes, which it can let out under certain conditions, and the banks have the power to issue loans to the extent of four times the amount of their net accessions of gold over their deficit in legal reserves.

It is of interest to notice that not all of the $40,-000,000 gold to arrive from Europe is destined for United States banks. Of the $7,000,000 or so distributed on Wednesday, the Bank of Montreal received $1,000,000 and the Bank of Nova Scotia $250,000. On the same day the Bank of Montreal engaged an additional $500,000 for import. Locally, there is practically no change in the general Canadian monetary situation.