

for ordinary business purposes they are as a rule forthcoming. Apparently there is no disposition on the part of the bankers to exact oppressive rates—in most cases the rates standing before the war crisis developed, apply to the discount lines.

LONDON SITUATION.

So far as London is concerned there are no satisfactory quotations as to discount rates. The only item in connection therewith is that the Bank of England rate of 10 p.c., the figure to which it was jumped on Friday, the 31st July has been reduced to 6 p.c.—after having been raised to 4 p.c. on the preceding Thursday. The Continental markets, too, have suspended action. Very little business of any kind is being transacted. The nominal rate of discount in the London market is 5 p.c.; in the Paris market, 4 p.c.; and in the Berlin market 6 p.c. The Bank of France quotes 6 and the Imperial Bank of Germany the same. The Bank of Austro-Hungary quotes 8 p.c.; and the National Bank of Belgium 7 p.c.

NEW YORK MARKET.

Call loans in New York are quoted at 6 p.c., and it is said that the banks are making some advances. Time money and commercial paper are nominal, practically no business being transacted. Owing to the huge movements of gold and other currency the New York banking institutions saw their surplus, according to the Saturday statement, turned into a deficit. In case of the banks and trust companies combined the cash holdings suffered the enormous decrease of \$56,400,000, while the loans increased \$1,100,000. Their surplus reserve decreased \$43,600,000—the surplus of \$26,173,750 being converted into a deficit of \$17,425,000. The greater part of this huge loss of cash fell upon the banks. Taken by themselves they showed a loss of \$39,200,000 and a decrease of \$8,300,000 in loans. Their deficit amounts to \$11,200,000.

The American Government is taking exceptional steps to cope with the situation. Emergency currency has been arranged for and the Secretary of the Treasury has declared that he will make such use as is necessary of the vast stores of gold lying in the Government vaults.

The banks at New York and other American centres have ceased settling in specie, and clearing house loan certificates are again in vogue.

EFFECT OF WAR ON CANADA.

Mr. W. D. Matthews, who is a director of the C.P.R., the Dominion Bank, and a number of large industrial companies in Canada, made the following statement:

"If the price of grain advances in Europe through any action that might be taken in Europe to prevent shipments from Russia, it would be to the advantage of Canada.

"If the war were continued for a long time, it would certainly have the result of making money conditions all over the world more or less stringent, and Canada would suffer proportionately. Fortunately our banks have been acting in a very conservative way for the past year or two, and as a result their reserves have increased to an amount that is beyond what is usual at this time of the year.

"It would appear, therefore, that they are amply prepared with money for the ordinary business requirements of the country, and to move the crops as soon as they are ready to market.

"We are essentially an agricultural country, and any advance in the price of agricultural products would be very satisfactory to the farmer, and would help to offset any loss resulting from any diminution in this year's total yield."

ENGLAND.

"England stood by us. Let us stand by her. We had the great help of her moral support. Let us give her our sympathy and good wishes. The envious and watchful knew that she was our friend. Let all the world know now that we are hers."

"Every liberal nation in the world would deeply regret if the position of Great Britain, the standard-bearer of civilization, were shaken."

Who among her enemies will dare to deny her the credit due for the civilization and enlightenment in India, Egypt, South Africa, and other countries she now holds and guards by right of conquest. It is useless to discuss whether Christianity or commerce has wrought the greater change in the condition of the world. A marvellous change and improvement has been wrought, and but for the subjugation of these countries by Great Britain neither one nor the other of these influences could have been brought into play. What has been done elsewhere by "the standard-bearer of civilization" in the case of freedom and enlightenment will be done in the present war. The task may be a difficult and dangerous one, and its accomplishment may involve an appalling sacrifice of blood and money; but the statesman who sees in the present situation signs of the "decadence" of Britain are evidently not familiar with the history of the Anglo-Saxon race.

CANADA ACCIDENT ASSURANCE COMPANY.

Mr. J. C. McBride, manager of the Accident Department Commercial Union Assurance Company, London, England, who was in Montreal last week, sailed for England per S.S. Megantic, on the 1st inst. Before sailing, however, it was announced that he had appointed Mr. J. W. McKenzie (formerly Canadian manager of the Maryland Casualty Company), joint-manager of the Canada Accident in association with Mr. T. H. Hudson, manager for many years.

The Canada Accident enjoys a high prestige for honorable and liberal treatment of its policyholders in Canada, and Mr. Hudson is known to be most highly respected by his colleagues, and most deservedly so, for integrity and uprightness in all his dealings.

No doubt Mr. McKenzie's appointment will be of considerable assistance to the management and the increasing business of the company.