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EFFECTS OF THE NEW UNITED STATES TARIFF.

The Canadian financial centres, as well as the farming districts of Ontario and Quebec, have been deeply interested this week in the sharp advance in prices of cattle and other farm stock following upon the going into effect of the new tariff applying to imports into the United States. Although the new rates of duty applied to goods imported by the United States on and after Saturday, October 4th, the full effect of the change was not experienced by Canada until this week. The most notable development was a rise in the prices paid to farmers for beef cattle. On the basis of quotations prevailing this week the farmer can collect from \$6 to \$8 additional for a steer. It is not known as yet whether this rise in prices of cattle and other live stock represents the full effect which the fiscal change in the neighboring country is to exert on our affairs. The great dailies are referring to the American market as ravenous for our meat stuffs; and some authorities evidently expect that the quotations may move further upwards. On the other hand another body of opinion holds that this week's rise is to some extent due to excite-

ment over the changed conditions and that there is a fair chance of the market settling down to a lower level.

FARMERS' JUBILANT.

Naturally the farmers are jubilant over the prospects now held before them. Quite likely, if the newly published level of prices holds indefinitely, there will be considerable bustle and activity in the agricultural districts; and such enlivenment must react to some extent on the towns and cities. One would expect that the development would have a tendency to offset or neutralize the trade reaction that has been in evidence in the recent past. However, as one newspaper remarks, the effects of the American tariff reduction are not all of them beneficial for Canada. Following the increased prices for live cattle there has been a rise in the price of beef at the retail shops. This phenomenon is one that will create concern in the minds of wage and salary earners and also in the minds of their employers. We shall likely have to wait some months before it is possible to discover the various important respects in which our economic life is to be affected by the change of fiscal policy on the part of our neighbors.

EFFECT OF RUSH OF WHEAT.

The unprecedented rush of wheat to the Western markets is having some effect in temporarily tightening the money markets; but as the funds of the banks are thus going into short date bills and loans represented by grain on its way to market, when the volume of such bills and loans shrinks in the ordinary course, money should be in better supply for stock market purposes. Call loans are quoted $5\frac{1}{2}$ to 6 p.c. as heretofore; and commercial paper is discountable at from 6 to 7 p.c.

EUROPEAN MONETARY POSITION.

The consignments of gold reaching London this week from the Transvaal mines amounted to \$4,000,000. There has been considerable interest as to its disposition, as the demands from the continent are still coming forward. It was shared between the Bank of England and the Continent. The Bank of England rate stands at the level fixed last week—5 p.c. In the open market at London call money is quoted $3\frac{1}{2}$ p.c.; short bills are 4 7-16 to $4\frac{1}{2}$; and three months bills, $4\frac{3}{8}$. At Paris the Bank of France still quotes 4 p.c.; and discounts in the private market are $3\frac{3}{4}$. The expected reduction of the Official discount rate of the Imperial Bank of Germany has not yet materialized—the 6 p.c. quotation still holds. The private rate at Berlin is $4\frac{3}{4}$.

BRAZIL INSPIRING ANXIETY.

The European markets, London in particular, have been affected by unfavorable financial developments in Brazil. This South American republic has been experiencing a severe monetary stringency and in