

No change of consequence has occurred in the quotations for call loans in Montreal and Toronto. The quoted rates are $5\frac{1}{2}$ to 6 p.c.; and mercantile paper rules at from 6 to $6\frac{1}{2}$. Of course, the liquidation in stocks just referred to has some tendency to soften the tone of the money markets.

LONDON MONEY MARKET.

The London money and discount market continues to be characterized by ease, although the rates are higher than the phenomenally low ones quoted a week ago. Call money is $1\frac{1}{4}$ to $1\frac{1}{2}$ p.c.; short bills, 2 9-16; and three months' bills, $2\frac{1}{2}$ to $2\frac{5}{8}$. Bank of England rate is unchanged at 3 p.c. The Bank of France quotes $3\frac{1}{2}$ and the Imperial Bank of Germany 4 as heretofore. The ruling rate for discounts in the private market at Paris is $2\frac{3}{4}$, and at Berlin $2\frac{3}{8}$. The European powers—notably Great Britain, Germany, France and Spain—have been using their best efforts to bring about an improvement in the relations between Mexico and the United States; and it is said that it is largely owing to their good offices that mediation has been accepted by both parties.

NEW YORK POSITION.

Call loans in New York are steady at $1\frac{3}{4}$ to 2 p.c.; most of the business being done at $1\frac{3}{4}$. Time loans are easy. Sixty days, $2\frac{3}{4}$ to 3 p.c.; ninety days, $3\frac{1}{4}$; six months, $3\frac{1}{2}$ p.c. The clearing house institutions at the American metropolis effected a large increase in surplus reserves as shown by the Saturday statement. In case of banks and trust companies combined this amounted to \$8,576,000, after which increase the total surplus stood at \$30,254,000. The increase was effected largely as a result of the gain of \$12,400,000 in cash holdings which served to much more than offset the loan expansion of \$7,700,000. The banks taken by themselves had loan expansion of \$7,200,000 and cash gain of \$4,900,000—the net result of which was an increase of \$1,700,000 in surplus.

GOLD EXPORT MOVEMENT ENDING.

Sterling exchange at New York has been rising recently, and there is some expectation of an outflow of gold. It is to be noted, in this connection, that the premium on New York funds prevailing here and in Toronto during the past three months, has given place to a discount presumably that marks the end of the gold export movement from Canada for the time being.

Among the interesting events happening in New York is the notification to the underwriting syndicate in connection with the Southern Pacific issue of \$55,000,000 convertible bonds that they would be obliged to take 30 per cent. of the issue. Under the circumstances prevailing, the terms offered by the Company to its stockholders did not prove sufficiently attractive to induce them to take up the issue in full.

UNITED STATES GOVERNMENT AND BANKS.

Bankers here have been interested in the developments in regard to the United States Government's banking business. When the present Secretary of the Treasury took office, he undertook to get better terms for the Government on its bank deposits. The banks were told they must pay 2 p.c. interest on the balances notwithstanding that some of the Government accounts were very active and entailed much expense. Some time ago the National Bank of Commerce, New York, one of the big banks of the country, intimated to the Government that it desired to close the Government's account maintained by New York Post Office as it was on a basis decidedly unprofitable for the bank. The Government thereupon transferred the account to the American Exchange National Bank, in New York. This Bank after carrying the account a few months has just now notified the Treasury Department that it wishes the account closed as the interest payment on the balance made it altogether unprofitable. It would seem that in its banking business as in other business the Government would best conserve the dignity of its position by allowing the other party to the contract to make a fair and reasonable profit.

ABSTRACT OF THE BANK STATEMENT FOR MARCH, 1914.

(Compiled by The Chronicle).

	March 31, 1914.	February 28, 1914.	March 31, 1913.	Month's Change.	Year's Change.
LIABILITIES.					
Circulation	\$ 96,848,384	\$ 97,563,982	\$ 102,202,047	—\$ 715,598	—\$ 5,353,663
Demand deposits	345,590,642	337,516,595	357,756,659	+ 8,074,047	— 12,166,017
Notice deposits	646,143,604	640,927,130	630,434,708	+ 5,216,474	+ 15,708,896
Foreign deposits	114,523,736	119,556,649	97,869,303	+ 5,032,913	+ 16,654,433
Total liabilities	1,299,017,586	1,289,216,072	1,272,238,689	+ 9,801,514	+ 26,778,897
ASSETS.					
Specie	\$ 45,661,913	\$ 44,227,312	\$ 39,053,160	+ \$ 1,434,601	+ \$ 6,608,753
Dominion Notes	96,227,321	100,775,031	91,510,421	+ 4,547,710	+ 4,716,900
Deposit in Central Gold Reserve	3,500,000	3,000,000		+ 500,000	
Securities held	102,408,341	103,739,598	101,150,557	+ 1,331,257	+ 1,257,784
Canadian call loans	69,088,240	71,374,602	70,731,030	+ 2,286,362	— 1,642,790
Foreign call loans	145,218,223	141,143,442	109,227,927	+ 4,074,781	+ 35,990,296
Canadian current loans	*855,381,265	*842,084,073	*890,513,446	+ 13,297,192	— 35,132,181
Foreign current loans	53,279,411	56,052,837	38,277,672	+ 2,773,426	+ 15,001,739
Loans to municipalities, etc.	31,890,843	30,372,854		+ 1,517,989	
Total assets	1,546,622,640	1,535,980,490	1,514,512,523	+ 10,642,150	+ 32,110,171

*Inclusive of loans to municipalities, etc.