per cent., as compared with 1907. Of the total, Nova Scotia contributed over 59 per cent., Saskatchewan and Alberta over 19 per cent. and British Columbia 21 per cent. The increased output of Portland cement during a year of lessened building activity evidences the steady growth of its use for structural purposes. There were 3,495,961 barrels manufactured in 1908, as compared with 2,491,513 barrels in 1907. Sales were 2,436,093 barrels in 1907, and 2,665,289 barrels in 1908, the total price received being $3,777,320 in 1907 and $3,709,963 in 1908. The average price per barrel at the works in 1907 was $1.55; in 1908, $1.39. Including 457,408 barrels imported, Canada last year used 3,122,697 barrels of Portland cement—a quantity practically double that used in 1904, five years ago.

General Financial Situation.

THE PASSING OF THE HALF-YEARLY STRAIN.

Monetary Centres Apparently Settling Down to a Dull Time—Heavy Borrowings Abroad—New York Bank Surplus Remained at over $27,000,000 after Mid-Year Financing—Increased Banking Activity in Canada—Issue of Dominion Steel Bonds.

The Bank of England is now regularly securing the weekly arrivals of gold from the Transvaal. Last week it got over $5,000,000; and on Monday this week $2,000,000. Last week's extensive fall in the Bank's proportion of reserve is said to have been due to the usual variety of circumstances cropping up at the end of every calendar half year—dividends and interest payments and window dressing by the London banks. Yesterday's statement showed reserve ratio to have increased to 48.82 per cent. from 4140 a week ago. The official discount rate is unchanged.

In London, call money is quoted at 1-2 to 3-4 per cent. On short bills the discount is 1 1-4 to 1 5-16; and on three months' bills, 1 5-16 to 1 3-8. These figures clearly show the passing of the half-yearly strain, and to all appearances the leading money markets in Europe are just settling down to a dull and uninteresting time.

European Capital in New York.

Capitalists and bankers in London and Paris appear to be looking to America in the hope of finding some outlet for the investment of part of their unwanted supplies of cash resources. Indeed they have succeeded in placing very considerable loans at short date in New York city. Leading houses engaged in the exchange business estimated that about $90,000,000 or $100,000,000 were borrowed by New York bankers in London in the last week of June. This is largely a revival of the borrowings in finance bills which became so unpopular in England during the recent monetary stringency. Unpopular that is with the English commercial and borrowing interests, not with the London banks. The banks prized the American accounts very highly, but their home customers complained about being sacrificed for the sake of Wall Street speculators. Because of the outcry thus raised the banks thought it advisable to discourage borrowings of Americans on finance bills on a large scale. Now conditions have changed. It is possible for them to entend very large accommodation to the New York correspondent without at all affecting the rates of interest charged the English merchants or restricting the supply of credit available for them. Hence the reappearance of the finance bill.

The official rates of the Bank of France and of the Bank of Germany have undergone no change in the past week—the former holds at 3 per cent., the latter at 3 1-2. Market rate in Paris is 1 5-16, and in Berlin 2 1-4. Money at the German capital thus rules considerably higher than at the other two European centres.

New York Bank Statement.

Call loans in New York are given as 1 3-4 per cent. Time money has been marked by continuance of the extreme ease which set in last week immediately after the completion of the half-yearly settlements 60 days, 2 per cent., 90 days, 2 1-2 to 2 3-4; six months 3 1-4 to 3 1-2.

Last Saturday's bank statement was taken as showing that the banks had handled month-end needs without any difficulty at all. Their loans increased $26,000,000; as the increase was accompanied by a cash decrease of $5,500,000, the surplus fell $11,000,000. However, it still stands at $27,201,400. In connection with the call for $25,000,000 of Government deposits held by national banks it is now said that the depository banks will surrender practically the whole of it on 15th July without waiting till the 15th August, the date set for the second and larger instalment. They have no immediate use for the money, and many of them find it to their advantage to discharge the whole liability and thus stop the interest payment.

Increasing Demand for Bank Credits in Canada.

Locally in Canada money rates are the same as a week ago—with 4 to 4 1-2 per cent. quoted for call loans in Montreal and Toronto. Indications are appearing of increasing demands by the mercantile and industrial interests for credits as the harvest season approaches. The grain and milling concerns have been negotiating for their lines and in estimating their requirements it has been necessary to figure the wheat at a high price per bushel. This means, of course, that the large companies, or some of them, are asking for somewhat bigger lines. There are some new companies in the field, the grain-buying and milling interests of the Northwestern States are said to be showing a stronger disposition each year to operate in our prairie provinces. However, this year these latter will have a very large crop of their own to handle.

Even if the requirements of their grain dealing customers do foot up to a larger total than last year, the probabilities are that the Canadian bankers will find nothing but pleasure in the circumstance—as it will furnish them with the opportunity of putting a number of millions which have been earning 2 per cent. or nothing at all, at work which will bring in 6 per cent.

The Canadian Pacific net figures for the month of May and for the first eleven months of the fiscal year give general satisfaction. Stockholders will doubtless consider that the increase in May net $245,365, and for the eleven months, $950,273, affords clear of evidence that a pretty favorable statement will be forthcoming as to the year's operations.

Dominion Iron and Steel's bonds issue of £1,200,000, and the commencement by the company of its long contemplated improvements and extensions, furnish an augury of prosperous times. So far as the investment public is concerned, it is quite properly taken for granted that the report of the experts sent over