a balance of premium notes, cash basis. In high-class municipal bonds the company holds well over $85,000. The company deposited promptly with the Provincial Treasurer the sum of $25,000, as required by the new Quebec insurance law.

The General Financial Situation.

RECENT SPECULATIVE MOVEMENTS.

Berlin and Paris Participating in London's South African Activities—New York Operators Transferring Loans to London—Canadian Markets Continue Active.

Again this week the international money markets have been quiet and undisturbed, but in several of the centres, big and little, there are speculative movements under way which may very likely have a noticeable effect ultimately. The Bank of England rate has again been left unchanged at 2½ p.c. London market quotations are: call loans, 1 1-4 to 1 3-4 p. c., short bills and three months' bills, 1 5-8 to 1 3-4 p. c..

At Paris the Bank of France still maintains its rate at 3 p.c., while in the open market 1⅛ per cent. is quoted. The 3½ p.c. rate of the Imperial Bank of Germany is likewise undisturbed; and the Berlin market rate is given as 2 5-8 per cent.

Just now in London a considerable amount of attention is being given to Kaffir mining stocks. There has been notable revival in this department of the market. At the fortnightly settlements on the Stock Exchange the rise in prices and expanding speculation are beginning to produce an effect on the money market through the enlarged demand for credit resulting resulting therefrom. It is said that the continental markets, Paris and Berlin, are also taking a more active part in the dealings in South African mines. With regard to South African affairs it appears that in other departments of the industrial system prosperity is hardly the rule. As a matter of fact that part of the Imperial dominions appears to be yet suffering severely from the reaction following the war. The Boer war is said to have cost Great Britain over a billion dollars. Of the total amount a very considerable proportion was expended in South Africa itself. When the enormous expenditures ceased a great collapse occurred in prices of land and of certain commodities that were actively traded in. It appears that the banks were involved to some extent in losses through failure of their borrowers and shrinkage of value in the securities held by them. At the present time some of them are under the disagreeable necessity of reducing their rests in order to provide for bad debts. Though they have suffered losses there are so far no indications that the banking situation will develop into anything alarming. The South African banks are closely connected with the London market. Many of them are owned and managed in London; and consequently extraordinary developments amongst them naturally have an effect on the monetary situation at the British capital.

Little Sign of any Approaching New York Stringency.

Money market conditions at New York have given no noteworthy sign of any approaching stringency or tightening up. Rates are not as yet exhibiting any strong tendency to rise. Call loans 1 3-4 to 1 7-8 p. c.; 60 days, 2 to 2 1-2 p. c.; 90 days, 2 1-4 to 2 1-2 p. c.; six months, 3 to 3 1-4 p.c.

Probably one reason for this is the unusual flow of currency from interior points to New York, which has served to increase the surplus of the clearing house institutions, in a period in which quite often they are subjected to drain. Last Saturday the New York banks reported loans practically unchanged; cash increased $6,100,000; deposits increased $5,800,000; and surplus increased $3,000,000. The last named item now stands at $25,426,925, which is about $20,000,000 less than at the same date a year ago. In the past month there has thus been effected an increase of nearly $18,000,000 in the surplus, coincidently with a rising stock market and with a considerable outgo of gold. Gold exports still continue, having reached a total of nearly $60,000,000 since January 1. New York's gain in bank surplus has been accomplished, according to current reports, through receipts of cash from the interior, shifting of loans to trust companies and other outside institutions, and through drawing finance bills on Europe. Some of the big Wall Street operators are said to have transferred a considerable part of their loans to London owing to the cheaper rates prevailing there.

Stock Market Activity in Canada.

In Canada also money market conditions are practically unchanged. Call loans in Montreal and Toronto are still given officially as 4 to 4½. However, there has been seen a considerable rise in quotations for a number of the favorite local stocks; and the record of daily transactions issued by the two big stock exchanges shows an expanding number of sales, showing that the brokers must be having recourse rather freely just at present to the banks for call loans. Quite possibly when the May bank statement appears it will show call loans in Canada to have again increased by a substantial amount. Though it is doubtless true that the rise in prices and the increase of confidence have been due largely to the improvement in general conditions, it is quite possible that the great ease and cheapness of money and scarcity of stocks have played an important part in bringing about the rise.

THE MINERAL OUTPUT of the Province of Quebec during 1901 is reported by Mr. J. Obalski as totalling $5,493,664; the 1907 showing was $5,391,368. As compared with $25,000,000 each from Ontario and British Columbia, the Quebec yearly record is not yet large, but there are those who look confidently for materially greater development in the not distant future. In one product, Quebec's world-leading position seems fixed—the value of the year's asbestos output reaching $2,551,596. Both cement and asbestos production are likely to increase steadily from now on.