

The Chronicle

Banking, Insurance and Finance

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recently preceding months. Imports totalled \$124,318,014 and exports \$112,278,064, giving an adverse balance of \$12,039,950, as compared with a favorable balance of \$35,207,407 in August 1919, when exports were only \$4,000,000 more, but imports were \$13,000,000 less than last month. That the immense increase in imports is largely a result of fulfillment of orders placed months, and even in some cases years ago, is undoubtedly true, and it may be expected that this accumulation of delivery of old orders, will before long have run its course. Apart from this, the principal remedy of the existing situation lies in an expansion of exports, and in this respect, for the following months of the year, good service should be done by the newly-harvested crops of the West. It may be noted, however, that British buyers are inclining to hold off for lower prices, so that it is possible the new crops may not move forward so rapidly as may be desirable. Meantime, for the eight months of the current year, our adverse trade balance is \$189,000,000, as against a similar favorable balance for the corresponding months of last year, and no amount of doctrinaire argument can make that fact a matter for congratulation.

The local Stock Exchange, after a week or two of decided dullness, is perking up again. It is too much to expect any general activity, when the wherewithal of that activity, in the shape of supplies of funds available for carrying stocks, is lacking. But in one or two special stocks, there have been notable rises. These rises are possibly justified by the profits and prospects of the companies in question, but there are obviously also pool activities at work, and in the case of a prominent paper company, the desire to do new financing on the best terms possible is suggested as a reason for market activity. It might be interesting also to know the quarters from which these bulges in one or two special stocks are being financed, since it is certain that hot air and enthusiasm are insufficient to sustain them. As regards money for Stock Market purposes generally, opinion appears to be crystallising into the view that no

real easing of present conditions is to be expected before the turn of the year. In this connection, the fact that the new crop may go forward for export more slowly than in recent years, when the British Wheat Commission was buying eagerly has to be borne in mind.

THE PERIOD OF REORGANIZATION

The period of reorganization and post-war reconstruction is well advanced in every country. It will be a painful period everywhere. In Canada it will be less painful than elsewhere because of our wealth and our ability to endure technical losses. But even here it is causing suffering. There are many "lame ducks" which must be cared for by the banks and are being given attention. Paper profits have been in numerous cases wiped out. Inventory shrinkage has embarrassed not a few concerns and has compelled them to limit their borrowing. All this is part of a change which goes through every element in the economic structure and involves readjustment. It is a process which must be continued and which undoubtedly will be kept up, in most countries at least, as fast as conditions will at all permit. From the national standpoint it is essential because on it depends a restoration of the competitive power which has been lost by those nations that have developed an exceptionally high price level.

MR. OWEN D. JONES

We regret to learn that the visit to Canada of Mr. Owen D. Jones, general manager of the North British & Mercantile has been clouded by a family bereavement, which has hastened his departure for home. He arrived in Montreal on the 18th instant from the West accompanied by Mr. Randall Davidson, and sailed for home by the Acquitania on the 22nd instant.

TRAFFIC RETURNS

Canadian Pacific Railway				
Year to date	1918	1919	1920	Increase
August 31 ..	\$94,846,000	\$103,968,000	\$124,500,000	\$20,532,000
Week ending	1918	1919	1920	Increase
Sept. 7 ..	\$3,053,000	\$3,709,000	\$3,991,000	\$302,000
Grand Trunk Railway				
Year to date	1918	1919	1920	Increase
August 31 ..	\$4,408,555	\$50,984,474	\$58,811,439	\$8,429,565
Week ending	1918	1919	1920	Increase
Sept. 7 ..	\$1,346,535	\$1,949,914	\$2,473,270	\$523,356
Canadian National Railways				
Year to date	1918	1919	1920	Increase
August 31 ..	\$49,434,472	\$57,808,499	\$74,251,487	\$16,442,988
Week ending	1918	1919	1920	Increase
Sept. 7 ..	\$1,564,802	\$1,789,109	\$1,998,611	\$208,502
Sept. 14 ..	1,593,343	2,009,675	2,372,905	303,231