

Prominent Topics

Wall Street Happenings. The New York bank statement at the close of last week showed a rather smaller cash loss than was anticipated. Surplus decreased, however, by over \$2,750,000 to about \$5,650,000. As the real force of the interior demand for currency would not begin until this week—on account of this year's later harvest—the position was not considered a strong one.

Saturday brought a marked decline in Canadian Pacific which fell from Friday's price of 163½ to 158—about twelve thousand shares being dealt in. That this and other declines on Saturday were due largely to professional operations on the short side would seem indicated by the brisk recovery of Monday. A squeeze of the shorts caused an advance in C.P.R. to 171, with 170 at the close—12 points above Saturday's close. After this experience and that of Easter last, the Wall Street bears may begin to learn that Canadian Pacific is not the safest stock of which to go short.

While Tuesday had a heavy spell after the announcement of another cut in the price of copper, and a reduction in the Anaconda dividend, there was a belated rally that affected even the copper shares.

There was a lack of professional activity in Wednesday's stock market, the bears being evidently wary after their experiences with Canadian Pacific and St. Paul. There were irregular advances early in the day, but no movement of general importance. In the last hour a few stocks developed some weakness, the market as a whole being depressed by the "money squeeze" that increased call rates to 10 p.c., looked upon as largely the result of shifting of bank balances incident to October interest payments. The interior flow of money from New York is, however, an increasing factor, the sub-Treasury figures showing a loss by the banks of \$3,400,000 since the Saturday statement was compiled. Foreign exchange was slightly firmer. Time money continued quiet and unchanged.

The London Markets. A fair demand for investment stocks but very little speculative activity characterized the London stock market during the week ending Saturday last. The Bank of England statement showed a reserve of 51¼ p.c. as against 42½ p.c. a year ago. The continental bourses gave improved support in the foreign section, the Anglo-Russian treaty having helped confidence on the continent. The copper situation, crop news, Wall Street prices, and anticipation of unfavourable New York Bank statement caused a weakening in Americans towards the week's close. Money hardened during the week owing to settlement and the month-end requirements. An unexpectedly large shipment of gold to Egypt had its effect in easing consols.

Monday's stock market was depressed in sympathy with New York declines. On Tuesday the tone was firmer. Americans developed strength, and copper shares were favourably affected by news from United States. The Wall Street bear squeeze in Canadian Pacific caused heavy covering in London. The stock closed 4¾ points higher for the day at 168¼.

On Wednesday money was in good demand and fair supply, with discounts firmer on fears of heavy gold shipments to Egypt. Investment stocks continued active, and consols closed ½ higher at 82 3-16 for money and 82 7-16 for account. Prices in other than gilt-edged securities were easy. Canadian Pacific declined 2 points to 166¼; Grand Trunk declined ½ to 22¼.

The Bank of England reserve has decreased £2,403,000 this week, the proportion to liabilities being 48.86 p.c. as compared with 51.30 p.c. last week.

Responsibility for the Water Supply. Mr. Justice Mathieu has decided that a landlord is responsible to his tenant for a failure of the water supply, to the extent that the tenant may resiliate his lease.

This judgment will give the landlords an interest in the water question that they never had before, and it threatens to involve the city of Montreal in endless suits for damages because of its failure to supply water. In one respect the decision is hard on the landlords, because it holds them responsible for a fault which is not their own, but as between landlord and tenant it is just, and we believe it is good law. Fortunately for him the landlord has his remedy. If a modern city the size of Montreal cannot undertake to supply its people with water, when it has a never-failing supply passing its doors, and after establishing a monopoly in the water business, what on earth is it fit for?

Montreal Charter. We sometimes think that there is no other city or municipality in the world so fond of tinkering with its charter, as the City of Montreal. We believe that even a second rate charter is better, so far as this city is concerned, than to go to Quebec year after year, and be saddled with all sorts of expenses in connection with expropriations, etc. The Montreal charter seems to be a fairly good one. It has defects. One of them is that the Council is too unwieldy, and this is put forward as an excuse for going to Quebec. We had better put up with the difficulty for a few years rather than go to Quebec and run the risk of amendments saddling expenses upon the city.

The Banks and the Money Stringency. Mr. George Burn, general manager of the Bank of Ottawa, expresses the opinion that business has expanded to a greater extent than deposits in the banks; hence the stringency of the money market. In other words dear money, scarce money, or no money, is the price that the country has to pay for abnormal business prosperity. In this opinion most financiers will concur. Mr. Burn also exonerates the banks from blame for lending so much money out of Canada. In this matter he will probably not meet with such general concurrence.

High Pressure for the Congested District. At a meeting of the Business Men's Committee, Deputy Chief Tremblay read a paper on the subject of a high pressure water system for the congested district. He estimates that it would cost \$512,700 to instal, and would