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THE BANKS AND THE BULLS.

The stock exchanges in Montreal and Toronto have been subject to reactionary influences during a considerable part of the week. Probably the speculative community attached too much importance to the big crop of high grade wheat which the Western provinces have just brought to maturity. While the safe harvesting of this crop is a matter of great moment for the country, it is likely that its effects will be more in the direction of strengthening underlying conditions than in that of promoting a great revival of speculation.

BANKS AND BULLS.

It is said that the bankers do not look with any favor upon the plans of those ambitious bulls who wished to push prices up in aggressive manner without any delay. According to current reports some banks which had placed new money at the disposal of the street recalled it, or a considerable part of it, very shortly afterwards. This action of theirs was taken as an expression of disapproval of a too-rapid upward movement. But it is quite possible that the withdrawal of funds may have been prompted chiefly by the desire to procure funds for financing the grain movement.

UNFAVORABLE DEVELOPMENTS.

It is to be noted that the reactionary tendency seen in the Canadian markets is also in evidence at New York and at the European centres. And it is to be expected that weakness in the great international markets would find reflection in Montreal and Toronto. Also there have been some local happenings which have tended to encourage the bearish element among the traders. Following the news that an important iron and steel concern with headquarters in Montreal had passed into the hands of a receiver, the street learned first that the 7 per cent. preferred dividend of one of the newly consolidated pulp and paper concerns had been omitted; and later that the 5 per cent. dividend on the common stock of a big Western mail order house (the finances of which had recently been re-organized) would be discontinued.

These developments had a tendency to discourage speculative commitments of importance.

However disagreeable the check may have been to the parties who had engaged themselves on the long side of the market, it serves to reduce the present and prospective demands upon the banks. Rates are unchanged: Call loans, $5\frac{1}{2}$ to 6 p.c.; and mercantile discounts, 6 to 7 p.c.

EUROPEAN MONETARY POSITION.

The new gold arriving in London on Tuesday amounted to \$3,250,000. Bank rate in London was raised yesterday to 5 p.c. as a precautionary measure to protect the Bank's reserves, which has been depleted by exports to Egypt, while the bulk of the weekly consignments of gold from South Africa have been lately absorbed by the Continent. In the open market call money is $3\frac{1}{2}$ to $4\frac{3}{4}$ p.c.; short bills are 4 $\frac{3}{8}$ p.c.; and three months' bills' $4\frac{1}{2}$ per cent. At Paris bank rate is 4, and private rate $3\frac{3}{4}$ p.c. And at Berlin the private rate is $5\frac{1}{2}$ p.c., while the Imperial Bank of Germany still quotes 6. There is some expectation of a reduction in the Reichsbank rate on Monday from 6 to $5\frac{1}{2}$ p.c. The September quarterly payments having been successfully met it is thought that the pressure in Germany will relax.

THE BELLICOSE BALKANS.

The London and other European markets have been disturbed again by the irrepressible Balkans. As if they had not yet heaped enough misery and distress upon themselves, these peoples are apparently in the mind of recommencing warlike operations. Now it is the Bulgarians and the Turks who are said to be in combination against the Greeks and Servians. Revenge is what the Bulgarians want; and some authorities say they would not be surprised if, as a result of the latest developments, Turkey recovered Salonika and Scutari as well as Adrianople. The events transpiring in that part of Europe recently, inspire nothing but disgust for the principal actors therein.