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A MONETARY IMPROVEMENT.

During the week there has been further improvement in the monetary position, not only in New York and London, but also in our home market. The restoration of normal conditions in the market for New York funds is a most satisfactory development so far as we are concerned. The heavy discount on American drafts has been a most inconvenient feature for all parties in Canada having occasion to collect money from the United States. However, it is well understood that there is no immediate prospect of our trade in general rising abruptly to the high records recently in evidence. The statistics of bank clearings in Montreal for October indicate the extent of the depression now prevailing. Total clearings were \$226,518,000, as against \$269,354,000, in October last year—the decrease being \$42,836,000, or 15.9 p.c. In September the decrease as compared with the corresponding month of the preceding year amounted to about \$11,300,000; but in August this year, the first month of the war, there was a decrease of \$42,300,000, or more than 18 p.c.

FOREIGN TRADE STATISTICS.

The statistics of our foreign trade for the twelve months ending August, show an increase of \$42,000,000 as compared with last year; this record, however, includes only one month of war conditions. A gratifying feature is the increase of \$75,000,000 in exports; this satisfactory increase, taken with the decline of \$117,000,000 in the imports makes an improvement in balance amounting to \$192,000,000. There is no doubt that the tendency shown by the above figures has been in evidence in September and October, and that it will be in evidence during the remaining months of the Dominion's fiscal year.

STIMULATION OF EXPORT TRADE.

The cessation of our large-scale borrowing in London necessarily involves a sharp drop in our imports; and meanwhile the probability is that the export trade will be vigorously developed. We shall be sending abroad food stuffs and various agricultural products, the value of which promises to be substantially greater than in recent years. This export trade is of course stimulated by the extraordinary demands coming from the United Kingdom and France in connection with their war requirements.

MILITARY DEVELOPMENTS SATISFACTORY.

The development of the military operations in France and Belgium are proceeding in highly satisfactory manner, the German plans for fresh advances on the French coast and on Paris having ended in complete failure. This, of course, is the vital feature of the war. Apart from it the unconfirmed news as to the defeat of the British naval squadron off the South American coast, and the entry of the Turks into the war, will perhaps cause some nervousness among the more timid of the citizens of the Empire; but the general conviction is that the British naval and military authorities have taken adequate measures to guard against interruption of the route to India, through the Suez canal, and against any overturn in the balance of naval power in the South Pacific. There are also indications that the German home fleet is seriously considering the matter of venturing into a contest at sea. If such eventuates there will necessarily be tremendous anxiety until the results are definitely known.

MONEY RATES.

Money rates in Montreal and Toronto are the same as heretofore; call loans are 6 to 6½, and mercantile paper is discountable at 6 to 7 per cent.

Call money in London is quoted 1 to 1¼ p.c., and discount rates are 3 to 3½ p.c. Bank of England rate is 5 p.c. Bank rate in Paris is 5 and in Berlin 6; while the private rate of discount at the French centre is 4 as against 6¾ at the German centre.

The clearing house institutions in New York have made further progress in improving their condition. In case of all members the loans decreased \$3,200,000,