placed at $3,000,000, made up of $1,000,000, six p.c. first mortgage bonds, $1,000,000, seven p.c. preferred stock, and $1,000,000 common stock. There will be also $500,000 preferred and $500,000 common stock reserved in the treasury for future issue.

Also it is understood that the proposed steel merger comprising the Hamilton Steel Works, Montreal Rolling Mills, and several smaller Ontario concerns, though not yet consummated, is progressing to a conclusion.

THE ST. STEPHEN BANK.

Suspension of the St. Stephen Bank will hardly create a ripple on the surface of Canadian finance. It is about the last of the recognized lame ducks among our banks, and with all sympathy for those who may lose by its suspension, its closing can hardly be regarded as a misfortune for the Canadian banking community.

The bank's statement to the Government as at January 31 last, showed paid-up capital of but $200,000, upon which a 6 per cent. dividend was paid last year. The reserve fund is given as $55,000. Notes in circulation amounted to under $150,000, and total liabilities to the public are stated at $549,830. Against these, assets are given as totalling $818,271—so that, were their actual equal to nominal value, there would be a margin of less than $70,000 (including $55,000 rest fund) over the combined total of liabilities to the public and shareholders' paid-up capital.

A statement given out at midweek by Mr. R. B. Kessen, the curator in charge, makes clear to the public that the notes of the bank will be paid on presentation at any chartered bank in Canada. They are and will always be good. Mr. Kessen announces also that every reasonable consideration will be shown to any who are unable to pay their obligations to the bank as they come due. Payments on account can be made at any time and extensions will be allowed where future payments are sufficiently secured. Payments and arrangements are to be made at the Bank of New Brunswick, which has opened a branch in the building of the St. Stephen Bank in St. Stephen, N.B.

A RUDE REVIVAL DUE.

A rude revival of the term "Rubber!" as a mocking expletive is about due in London. The buying mania for "rubber shares" cannot continue indefinitely; the bump when it comes will not be lessened by the resiliency of the raw material.

But feverish speculation has not been confined to one class of stocks. Parodoxical as it may appear, the mania has been "nursed along" by the market accumulation of funds that have hesitated to flow into investment channels, owing to disturbed political conditions. From rubber the infection of speculative fever has spread to oil and Rhodesians. But the rubber boom has been the most remarkable—and the maddest. Crowds of people have simply not cared what they bought; so long as it had got something to do with that magic thing rubber. Brokers and their clerks have been overwhelmed; the market has been like a gigantic football scrum; and prices have kept on soaring as if they would never come down.

The two-shilling shares of one company have been at 56s 6d; of another 50s; of a third 46s. These are all well-established concerns paying handsome dividends, and there is, perhaps, some justification for their enormous premiums. But there is absolutely none for the premiums placed upon the shares of new companies, which under the most favourable circumstances cannot produce any appreciable quantity of rubber for three or four years, but whose shares are being rushed for frantically as if they were passports for El Dorado. These newer companies are not likely to have a very happy time of it, financed as they are on 'boom" lines, when supply begins to overtake demand. One fancies that the speculators who will do best out of this boom are those who have the courage to sell out quickly, for boom has gone clear beyond the bounds of common sense.

The oil outbreak is due to the fact that both the British and United States navies are giving large orders for oil fuel; to general prospects regarding the increased use of oil as fuel for industrial purposes, and also, we hear, because the way is being prepared for a new three million sterling oil company. This boom has less justification for its existence than its rubber neighbour, and is probably even more dangerous. Speculators' memories are proverbially short, but one does not require to go back many years to recall harrowing tales of reconstruction, liquidations and reorganizations in connection with British-financed oil companies.

IN UNIFORMITY, STRENGTH.

A veritable craze for the flotation of new insurance companies has seized more than one State to the south of us. That Canada may escape any virulent infection is to be hoped, though it has not been without doubtfully-advised projects in this line during recent months. According to the New York Journal of Commerce there are at present under way in the United States, or proposed since January 1, schemes calling for capital of $35,690,000 for fire insurance companies, $20,875,000 for casualty and surety companies and $7,670,000 for life insurance companies. Of this proposed capitalization a very large percentage is entirely on paper, as in many instances the promotions are merely for stock selling purposes, but, as the Journal of Commerce points out, they affect the public sentiment towards insurance ventures and tend to throw discredit on legitimate insurance projects. Promotions of life insurance companies are reported as having rather fallen off of late, as the wave of flotations in that branch of the business which started shortly after the passage of the Armstrong laws in New York State has about spent in force.

The comparative ease with which companies of indifferent standing can be organized in, or enter certain of the provinces of the Dominion, is a weakness in the Canadian insurance situation —particularly as the practice has grown up of provincially licensed companies doing extra-provincial business in contravention of the Dominion Insurance Act. We in Canada have long been accustomed to contrast—with a feeling of com-