

The Chronicle

Banking Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

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Annual Subscription, \$3.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, MARCH 5, 1915.

THE WEEK'S DEVELOPMENTS.

The important events occurring in the Dardanelles have engaged the attention of our financial observers this week. The operations are believed to have an important effect on the duration of the war. A successful outcome of the Anglo-French attempt to reach Constantinople would necessarily disarrange the Turkish plans, probably to such an extent as to cause Turkey to cease giving active support to the Germanic powers. It would also necessarily inspire all the Balkan States with wholesome respect for the might of the Allies. Judging from appearances Bulgaria is somewhat in need of instruction in this respect. It has been stated that Bulgaria's economic and financial connections with Germany, and uncertainty as to the Bulgarian attitude have caused Roumania to be a little backward in taking up arms on our side.

CONSOLIDATING PROGRESS.

The New York papers have dwelt in some instances on the impressive spectacle that is presented by the operations at the eastern end of the Mediterranean. In the van are the mine sweepers; next the destroyers, and after them the light cruisers; back of them the huge battleships with guns outranging anything that Turkey can oppose to them; and presumably behind the battle-ships are the transports with thousands of soldiers to be disembarked at advantageous points. One can see that the operations now undertaken are far removed from being a mere attempt to dash through the channel into the Sea of Marmora, and dash out again after threatening the Sultan's power at its centre. The plan evidently provides for consolidation of the Allies' progress as they go along. They intend to hold the forts and important military points.

FLURRIES IN THE WHEAT MARKET.

It was to be expected that sudden realization by the wheat speculators in the United States of the possibility that the Dardanelles passage would be cleared for Russian shipments would cause large

fluctuations in the price of that cereal. The first news which definitely announced reduction of the entrance forts caused a sharp decline of the quotations in the wheat pit; and subsequent news has kept the market in a turmoil with sharp movements down and up. It is to be hoped that complete success will attend this effort to put an end to Turkey's power in Europe. So far as any loss to Canada is concerned (through drop in wheat prices), that will be far more than balanced by what we gain through an earlier termination of the war.

UNITED STATES OPINION.

Severe disquiet has been caused in our business circles by the uncertainty as to the official American attitude in regard to Premier Asquith's recent announcement that all shipments presumed to be for or from Germany, or of German ownership, will be stopped by the British and French cruisers. American public opinion was apparently prepared to acquiesce in a formal blockade of Germany if announced by the Allies; but such a blockade has not yet been declared, and a number of the American newspapers say that the Allies have no legal right to interfere with United States traffic in the manner proposed. Of course in the long run the measures now to be enforced promise to be beneficial to American trade in that they are likely to have an important effect in completing the economic and financial strangulation of Germany. It may be, however, that there will be sharp protests from the Washington authorities, and it is to be hoped that the crisis may be successfully passed without in any way lessening the goodwill and sympathy now existing between the Allies and the main body of the people of the United States.

BRITISH WAR EXPENDITURE.

Cable advices from London, discussing Premier Asquith's statement this week regarding the cost of the war state that while the war expenditures are at a much higher rate than was formerly believed possible, there will probably be no new public war loan until May since the last instalment on the old loan need not be paid before the end of April. While last week's successful issue of £20,000,000 Treasury bills was a source of distinct confidence to the Government, it is thought that the Government may in the near future feel disposed to issue Exchequer bonds instead of Treasury bills. The former are sure to prove a popular form of investment for banks and other institutions, which would welcome such securities as affording an avenue for the employment of surplus funds and still more for the steadying of discount rates.

AN IMPROVEMENT IN SENTIMENT.

Sentiment in financial circles here has been sensibly improved by the events of the week. Money rates are practically unchanged. Call loans in Montreal