

Mercantile loans continue 6 to 7, according to quality and time. In Toronto no change is to be noted since our last review, and Winnipeg despatches record the money market as firm but quiet. Advices from the Pacific province report a continued healthy tone in the investment market. The British Columbia Deposit and Loan Company, recently organized under the presidency of Sir Joseph Trutch, is offering  $5\frac{1}{2}$  per cent. interest on deposits in large or small amounts for fixed periods.

The market both in sterling and New York exchange has ruled quiet but firm, and prices are steady, notwithstanding the heavy exports to Great Britain which should tend to lessen the strain. The Bank of England rate continues at  $2\frac{1}{2}$  per cent., to which it was reduced on the 2nd July.

The first Government bank return under the new Act was published in the *Canada Gazette* of the 22nd inst., not much of an improvement as to time, although the banks are required to send in their returns five days earlier than heretofore. The figures show the changes incident to the season of the year. As will be seen by the comparative statement given below, Dominion Government deposits have decreased over a million and a half, largely due to the payment of provincial subsidies early in the month. From the same cause, on the other hand, the deposits by Provincial governments have increased over six hundred thousand dollars. It is curious to notice in this connection that while Provincial government deposits in the banks of Ontario have risen from \$903,000 in June to \$1,457,000 in July, the deposits in the banks of Quebec have decreased from \$894,000 to \$787,000. At the same time the small amount due by Provincial governments to Ontario banks has been entirely wiped out, while the loans to such governments by the Quebec banks have increased from \$1,071,000 to \$1,226,000. Presumably a large portion of this latter has been loaned to the government of the Province, in anticipation of drawing against the \$4,000,000 loan recently floated in Paris. It is pretty evident from this showing that the Hon. Premier of Quebec does not handle his finances with as much prudence as his *confrère* of Ontario. There has been a slight decrease in ordinary mercantile deposits, while deposits at interest continue to increase, and now total the substantial figure of \$84,568,962. A reduction of nearly a million has taken place in the amount due to British correspondents, owing to the large amount of exchange drawn against exports. A decrease in the total liabi-