

Prominent Topics

New York Market.

The three days ending Saturday last saw some slight improvement in stock exchange prices, but with decreased activity. The marked selling movement of the preceding half-week had resulted in the market losing about a third of the 7-point average advance made in the two previous weeks. This movement was due largely to profit-taking, and was influenced also by general monetary conditions, as well as by the government's request for receivers for the American Tobacco Company, indicating a general attitude towards corporations alleged to be engaged in conspiracies in restraint of trade.

That the changes in the New York weekly bank statement are difficult to forecast was again instanced by Saturday's showing. The cash gain reported for the week was \$4,000,000 as compared with an apparent loss of \$6,000,000 on the known reserves of money—the probable explanation being that corporations re-transferred to the banks the deposits which had been shifted to trust companies at the time of effecting July settlements. Some "expectation of the unexpected" had apparently been a factor in keeping up prices. In spite of the week's gain of \$6,000,000 in the surplus bank reserves, the total stood at only \$6,877,050—the lowest at that date since 1893.

Monday's opening brought a sharp advance, owing to short coverings—followed, however, by an abrupt subsidence. Tuesday's early price movement was in general sluggish and uncertain. Union Pacific showed activity, it being considered by many that the Interstate Commerce Commission's report on the Harriman lines practically admitted the futility of drastic action by the Government. The slump in copper was a disturbing factor during the day.

Wednesday's prices fluctuated feverishly—Union Pacific and United States Steel considerably affecting the general market up and down respectively. The activity in the former was due largely to the efforts of the underwriting syndicate to which has fallen \$71,000,000 out of the \$75,000,000 of recently issued convertible bonds. Copper stocks were weak.

The money situation showed little change on Wednesday. The ruling call rate was 3 p.c., with $3\frac{1}{2}$ p.c. as highest, and $2\frac{1}{2}$ p.c. as lowest.

Money and Securities in Europe.

Toward the end of last week some recovery from the market relapse was evident on the London stock exchange. City men seem to share the opinion of the Chancellor that low water-mark has been touched, despite a certain anxiety evident in finan-

cial circles regarding New York monetary conditions. Stringency is looked for, as crop and other demands make themselves felt. Already American bills for large amounts are being negotiated in London—yielding extremely good returns. In some quarters, the memory of last autumn's gold drain is leading to an urging upon the banks that they limit the amount of United States finance bills, so as to save London from the possibility of another 6 p.c. bank rate.

The Berlin bourse sank from buoyancy to depression during the week ending last Saturday. The prime factor was the state of the money market due largely to loan repayments to the Reichsbank. Call money ruled at 5 p.c.

The Paris bourse during the same week was dull, fluctuations in copper shares being the sole noteworthy feature. The American-Japanese and Russian "soares" seemed to have quieted down, and the adjournment of parliament gives a three-months' respite from income tax discussion.

On Monday of this week, money seemed plentiful in London and the stock exchange showed some activity. Americans were favoured, the New York bank statement and government commission report re Harriman lines having a good effect generally. Some reaction came from profit-taking at the day's close. Tuesday's market was less active, though consols improved on Government buying and the release of gold by the Indian Secretary. Foreigners, too, were steady, but Americans did not maintain the preceding day's buoyancy; owing to disappointing Wall Street news and the break in copper.

Wednesday found money in good supply on the London market; discounts were firm. Investment stocks were fairly active on the exchange, home rails receiving attention on dividend announcements. Americans benefited as a result of easier money in New York and bull support. Both Canadian Pacific and Union Pacific showed activity. Grand Trunk was firm on report of traffic earnings. Money ruled at 3 p.c. Discount rates were: short bills, $3\frac{3}{8}$ p.c.; 3 months bill, $3\frac{5}{8}$ p.c. Bullion amounting to £163,000 was taken into the Bank of England on balance to-day.

The Bank of England changes for the week have been as follows:

Total reserve, increased	£705,000
Circulation, decreased	214,000
Bullion, increased	380,314
Other securities, decreased	1,923,000
Other deposits, decreased	1,676,000
Public deposits, increased	428,000
Notes reserve, increased	664,000
Govt. securities, decreased	1,000

The proportion of the bank's reserve to liability this week is 46.00 p.c. as compared with 43.71 p.c. last week.

The rate of discount of the Bank of England remained unchanged at 4 p.c.