

business being done at $2\frac{1}{4}$. Time loans also were easier. Sixty days, $3\frac{3}{4}$ p.c.; ninety days, $3\frac{3}{4}$ p.c.; and six months, 4 to $4\frac{1}{2}$ p.c. Thanks to enormous cash gains the clearing house institutions at New York were able to show in their Saturday statement, a large gain in reserve strength. In case of banks and trust companies the cash gain was \$28,100,000, while the loan expansion was \$5,500,000. The result was an increase of about \$20,000,000 in the surplus, bringing the item up to \$32,189,100. In case of the banks taken by themselves, the cash gain was \$29,100,000 as against a loan expansion of \$5,646,000; and the increase of surplus was slightly over \$20,000,000. The return flow of currency from the interior points is now actively in progress, and it may be expected to influence the weekly bank statements throughout the whole of this month. Also the movement of gold from Canada to New York will have some tendency to improve the bank position at the American centre. On the other hand the quotations for sterling exchange at New York have been rising under the heavy buying recently in evidence; and a gold movement from New York to Paris was this week inaugurated.

EXCHANGE SITUATION.

The American bankers say that Canada has been an extensive buyer of sterling in the New York market—the purchases being necessitated by the January dividends and interest on Canadian securities held abroad. It is probable that there has also been rather extensive sales of our securities by European holders. During a period such as that encountered in 1913 there is usually a movement by investors in creditor countries to send home securities of debtor countries. And the debtor countries are therefore obliged to find a considerable amount of exchange to take up the stuff that is returned.

YORKSHIRE INSURANCE COMPANY.

The Yorkshire Insurance Company, Montreal, in a letter to its agents, refers to the Company's progress in Canada since 1907, when it entered the Dominion. Its income shows an increase from \$149,863 in 1907 to \$418,000 in 1913. Its investments in Canada have increased from \$830,017 in 1907 to \$3,185,000. The Company's general assets exceed \$15,000,000.

In addition to its fire and casualty business, the Yorkshire is the only British Company transacting live stock insurance in Canada. Two handsome office buildings have been erected, one in Montreal and one in Vancouver.

The business of the Company is under the management of Mr. P. M. Wickham, who is an underwriter of many years' experience.

The Montreal Trust Company will increase its capital stock from \$500,000 to \$1,000,000.

THE CANADIAN BANK OF COMMERCE.

Sir Edmund Walker's address at the annual meeting on Tuesday, of the Canadian Bank of Commerce shareholders, was as usual a highly interesting and suggestive survey of Canadian conditions which will repay careful study and thought. Of the many aspects of commercial and financial development, which he touched and illuminated by sagacity of view and pertinence of utterance, possibly the most widely interesting is that regarding our borrowings abroad this year. Sir Edmund has no doubt that, we shall continue to get a generous share of the vast sums which are annually available for new investments in the financial markets of Europe. "England has patiently remembered," he said, "that we are obliged to finish the many sound and important enterprises, public, semi-public and private, which had been undertaken before the financial clouds began to gather. That such enterprises will command the money of the investor in preference to loans for the rehabilitation of foreign countries devastated by war, or in preference to securities based upon new ventures, we need not doubt, and out of the vast sum available each year in the markets of Europe for new investments, we may be sure of getting a generous share. We shall have to face a keener analysis of the nature of the security offered and the necessity of paying higher rates to the investor, and we shall do well to abstain during the next year or so from seeking to market any unnecessary securities, in order that we may do what we can to restore the balance between the investment resources of the world and the securities offered for sale."

However, money must be saved before it can be spent, and Sir Edmund uttered a timely warning against the spirit of gross extravagance which has been widely spread during recent years and, perhaps, has been as strikingly evident in Canada as anywhere. To individual extravagance has been added national extravagance in the colossal expenditures upon armaments and other purposes which are useless from the industrial point of view, and are indeed a sad burden. These phenomena have coincided with the hoarding of money by timid owners, consequent upon the Balkan and Mexican troubles so that the unusual requirements for capital resulting from an almost world-wide prosperity cannot be fully met. All business activities throughout the world, therefore, must be lessened in volume until things right themselves, which in Sir Edmund's view they will do quite speedily if people generally are willing to profit by the lessons to be drawn from recent experience.

IMPORTS AND EXPORTS.

As in some other of his recent addresses, Sir Edmund again strongly urged a course of action which will make our debts to other countries for expenditure made in anticipation of future developments as little burdensome as possible. He noted with pleasure the improvement which has lately taken place in the relationship of our exports to our imports, but suggested that there is still room for considerable improvement particularly in regard to iron and steel.

We again draw attention to the large proportion of our imports which consists of iron and steel in various forms,