

so-called experts, and this knowledge of values is fully equal to theirs, and he is not disposed to make purchases unless he can do so upon what he considers a favourable basis. There are, of course, a considerable number who will come in whenever an active movement is made, especially if continued for some time, but these are not usually the ones who buy for investment. All evidence points now to an active and rising market from within the next two weeks until about the latter part of April or the first of May, and we would strongly advise all of our readers during this period to carefully go over their holdings and to dispose of everything except the Standard properties, and to see to it that even these are so protected that no decline can shake them out, for after the great advances that we have had during the past three years, a period of depression would not be unnatural, and the coming three months will be an excellent opportunity in which to prepare for such an event.

Railroad earnings still continue on an enormous scale, but the net returns do not show up as well as they should do on account of the increased expenses, and any further rise in freight rates will pretty surely be strongly contested, so that it would appear that the roads cannot materially increase their incomes beyond what they now receive.

The most prominent incidents of the week have been the dissolution of the Money Pool. The announcement of the increase in capital by the Pennsylvania Company and the subscriptions by employees to the shares of the United States Steel Corporation.

The formation of the Monetary Pool was a precautionary measure taken at a time when a great danger threatened, and when this time had passed, it was only natural that it should be dissolved. The mere announcement that such action had been taken, was sufficient to allay a good deal of the apprehension existing at that time, and the country at large may congratulate itself that there was no necessity to call upon the syndicate. The increase of capital by the Pennsylvania Company shows again the progressive character of this Corporation. The authority to issue this stock does not necessarily mean that it is all to be used at once, but it does mean that the Board of Directors will have the means at hand to carry out whatever may be for the best interests of the Company, and do it promptly, which oftentimes means a great deal.

The subscriptions to the Preferred Shares of the United States Steel Corporation by the employees, it is said, will call for considerably more than the \$25,000 set aside for this purpose. It is quite clear that the idea of the managers of this Corporation is, that by making the employees of the Company stockholders, they will thereby make it practically a co-operative scheme, and it is hoped and this will prevent strikes and labour troubles. Whether this object will be attained or not remains to be seen. It is quite certain, however, that in some other establishments where this plan has been tried, the ownership of stock, or the participation in profits of the concern, has not deterred the workmen from going out on strike when the fever came upon them. Whether the Steel Corporation will be different as we have said, remains to be seen.

The money situation, as was expected, has grown distinctly easier, and funds are now beginning to flow back from the west in volume. Exchange, which has been quiet for some time, shows a rising tendency, and the present outlook is that shipments of gold are quite likely to occur in the near future, unless prohibitive measures are adopted by the large bankers as was done during December. Exports for last month were on a large scale and will probably increase this month, and corn is now

beginning to come forward in large quantities, which, with the wheat, cotton and manufactured articles now going forward, should produce a large amount of exchange. It must not, however, be forgotten that there are a good many bills sold during the fall, that have as yet to be met and cared for.

One of the active stocks of the week has been Erie, which has been taken in round amounts by London parties and interests here, but just for what reason is not apparent as yet. Erie is a good property, but it needs to have large amounts expended upon it before it will be anything like first-class condition.

The indications are that the market will be unsettled for some days longer, but it looks as if purchases made on a scale down would return good profits. The market closes very irregular and heavy.

STOCK EXCHANGE NOTES.

Wednesday, p.m., Jan. 14, 1903.

Prices ruled very firm this week throughout the list, with very few exceptions, and several moves towards a higher level were started, but re-actions set in in each case. The closing prices to-day are at about the same level as a week ago. Toronto Railway and Twin City, however, show lower quotations, while Toledo and R. & O. have made gains in price. C. P. R. was the leading stock in activity, and has held very strong, and closes at the same bid price as last week's quotation. Dominion Steel Common has been heavy on a moderate business, and has declined about 4 points from last week's closing bid, and Nova Scotia Steel Common is also slightly easier, but there is little of this stock offering at present, and if any buying demand should arise it is likely that it will advance considerably. There seems no doubt that the market is in a firm position, and that it only awaits an adequate supply of call money to move towards a somewhat higher level. This eventuality seems nearer, and there are some evidences of an easing in money conditions already. Even if rates are not reduced immediately, which we hardly look for, it is likely that supplies will be more plentiful from this on. Once money is released from other demands it will be available for stock loans, and from that to lower rates is but a short step. To look for this relief immediately, however, would, we think, be a mistake, but we have no doubt that events are moving in that direction more rapidly at present. There was an upward flurry in Toledo Railway this week, during which the stock advanced to 38½, but a reaction has put the price back to a somewhat lower level. Rumours that steps are to be taken to put the stock of the Company into the hands of a holding company who would guarantee a dividend on an upward sliding scale, have been current and receive credence in some quarters, and this no doubt is responsible for the advance which took place. The price of Bank of Montreal stock continues to advance, and recent sales have been made at 280. The increased price is, of course, in connection with the benefits to accrue to the shareholders from the issue of new stock.

The rate for call money in New York to-day was 4 per cent., and in London the rate was 3 to 3½. The local rate remains unchanged at 6 per cent. with some few loans still ruling at 7 per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris.....	2½	3
Berlin.....	2½	4
Hamburg.....	2½	4
Frankfort.....	2½	4
Amsterdam.....	2½	3
Vienna.....	2½	3½
Brussels.....	2½	3