

remained unaffected by the delirium prevailing in stock circles in New York. Northern Pacific rose to 180, then almost instantly dropped to 145. Other railway stocks dropped from 12 to 18½ points. Untold millions of dollars in values were wiped out in a few hours, the aggregate being estimated at from 500 to 700 millions. Men who regarded themselves wealthy early on the 9th, left Wall street for home beggared. Sellers who were unable to secure stock for delivery, bid for it like madmen, until it is reported that as high as 300, 500, 700, even 1,000 was offered for what had been sold at 130 to 140. Money rose to 60 per cent. To provide the needful and to reap the harvest of high rates, stocks of all classes were thrown indiscriminately upon the market, causing the hugest and most disastrous slump ever known on Change. Canadian Pacific dropped from 117½ back to 99, the variations being first a rise, and then a fall of 18½ points in four days. So far as Canadian Pacific is concerned it has been evident for some time that a 5 per cent. stock was worth more than the ruling quotations below par. At 125 this stock is on a 4 per cent. basis, so that the sudden rise to 117½ was not an unreasonable advance, and it would have been maintained had no disturbance occurred to alarm investors.

The panic cleared up the mystery of the vast movement which was its primary and principal cause. The fact was revealed that a struggle of financial giants had been engaged in, those on one side trying to obtain control of the Northern Pacific Railway by buying its stock, and the present holders endeavouring to thwart their efforts by the same tactics. There seems to have been and there may yet be, a scheme hatching to bring all the transcontinental lines of the United States under the control of the Morgan syndicate who control the American Iron and Steel Trust, the Leyland S. S. Line, and several other large enterprises. The panic of last week is thought to have been a reverse for these giants, but, as both sides claim a victory, or, that it was a drawn battle, the struggle may be renewed.

In order to relieve the tension the New York bankers met and agreed to give every reasonable assistance at moderate rates to those who had become embarrassed during the panic, and an arrangement was arrived at for settlements to be made on the basis of Northern Pacific at 150. As, however, many thousands more shares had been sold than existed, there will be very serious and distressing defaults made by many who were "short" of this stock, and their forced sales of other securities during the panic to obtain money will leave hosts of operators with empty purses and engagements they cannot meet.

One result is likely of a healthy character. All over the States there has for some time been a craze for stock speculation. In corner groceries, wayside blacksmith shops, saloons, business offices, even in stables, indeed wherever men "most do congregate," there were found students of stock lists following feverishly the varying quotations, as their savings had been shipped to New York, or handed to some local bucket shop-keeper for speculation. The vocabulary of the Stock Exchange had become incorporated with the vernacular, as Puts, and Calls, and Longs, and Shorts, and Margins were as familiar topics as the weather, or the price of wheat, or the scores of baseball matches. To many thousands the panic will be an object lesson, they will learn, as men of old said, "It is not for every one to go to Corinth," that to operate wisely on 'Change needs something more than money, it is a game which, to be played well, demands brains and experience. The panic has cleared the air, confidence has rallied more swiftly than ever before, stocks having intrinsic value on an investment basis, have advanced to higher figures than those quoted on the eve of the financial debacle, and the money market is in a more healthy condition than it was while the movement was developing that collapsed a week ago.

SOURCES OF THE STREAM OF MONEY THAT HAS BEEN FLOWING INTO THE NEW YORK STOCK EXCHANGE.

For a length of time past the enormous extent of the transactions on the New York Stock Exchange has furnished striking evidence of their being a larger diffusion of money amongst the people of the United States than ever before known. Although the extension of manufacturing industries in recent years has absorbed scores of millions of dollars, the stream of wealth has gone on deepening and widening its channels, one of which is, the business of operating in stocks, or speculation.

We append statistical evidence of the rapid accumulation of money in the United States, which, we quote chiefly from "The Bankers Magazine" of New York, a periodical which is most ably conducted, and full in every number of valuable financial data. The following shows the capital, reserve, and deposits of the principal banks in New York as on 1st March in each year from 1891 to 1901:

Year.	Capital.	Res.	Deposits.
	\$	\$	\$
1901	75,022,700	92,257,500	1,012,514,000
1900	68,422,700	83,342,900	829,917,000
1899	57,872,700	75,728,000	910,573,600
1898	59,022,700	74,271,200	729,214,300
1897	59,772,700	74,888,100	573,769,300
1896	61,122,700	73,017,100	489,612,200
1895	61,622,700	72,028,200	531,635,200
1894	59,922,700	73,015,200	531,741,200
1893	60,422,700	69,191,600	472,705,100
1892	59,372,700	66,007,900	531,938,800
1891	60,572,700	62,977,200	414,426,100
Increase 1901 over 1891..	\$14,450,000	\$29,280,300	\$598,087,900