INSURANCE.

Another prospectus of the week is that of the Central Insurance Company, which is offering for public subsciption 151,355 shares of $25 each, at a premium of eighteen cents a share. Herbert Chamberlain is chairman of the board. The company was incorporated in December, 1899, as the Birmingham Mutual Fire and General Insurance Association, with a capital of $500,000. The midland city is still the centre of the company's operations. It began as a non-tariff office, but all the appreciated shares which it quotes in its prospectus as sample of how insurance investments rise in value are those of strict tariff offices.

The case of Harry Seymour Foster against the Mutual Reserve Fund Association is again in progress, and has not reached an end at the time of writing. Foster insured in 1891 for $30,000, and being a smart city man, took a good many precautions first of all. Now he claims a declaration that according to the true construction of the policy he took out, the M. R. P. is not entitled to make calls upon him exceeding the maximum amount stated in the tables. He further claims the repayment of all sums in excess of this maximum paid by him in past years, certain repayments to be plus 4 per cent. interest. Finally, he wants the contract set aside altogether. A lot of legal complications are arising, as for example, those which argue that there is a distinction between "existing age" and "age at entry."

NEW YORK INSURANCE LETTER.

In general, the usual mid-summer dulness prevails here and hereabouts, as New York has its "silly season," as well as London. Many of the managers are away in Europe or elsewhere, endeavouring to "knit up the raveled sheave of care," and to prepare for the inevitable fret and nervous strain which each succeeding season brings in this ever busy and strenuous metropolis.

Will the New York Fire Insurance Exchange last? This is the question which is being asked, and while the hopeful are answering it in the affirmative, there are some shakes of the head and doleful prophecies. There is such a thing as being too prosperous. The experience of the fire companies here for several years has certainly been remarkable. No conflagration has occurred, the sum total of losses has been small, and still rates have been raised, until it would seem that there is no excuse for raising them any more. The brokers are "kicking" at some of the Exchange's rules and regulations. It is about time for some company to kick over the traces, though it is to be hoped that this will never happen. It must be remembered, moreover, that while no conflagration has occurred, the conflagration beyond is still, and ever will be, with us. The Exchange is really the most efficient tariff organization that New York has ever had, and its disintegration would be a widespread and far-reaching calamity.

The re-insurance by the National, of Hartford, of the business of the merchants of Newark is the most important event which has happened to relieve the season's monotony. It is understood that few, if any, of the merchants' force will be taken over, the National assuming complete control. Whether the Merchants will decide to retire or whether it may use its charter eventually to go on with business is at present an unanswered query. The National, by the way, has of late years been quite active in the re-insuring business. Its first important transaction in that line was the taking over of the business of the Washington Fire and Marine in the later eighties. Then it bought outright the stock and business of the Mechanics and Traders of New Orleans, which it still owns and controls, and now it swallows the risks of a company which has, in its time, been very important. The operations of of the National along these lines have been conducted with such skill and wisdom that it has always made them very profitable.

Never, in recent years, was there a time when the fire insance field offered a more inviting prospect for capital than at present. There is really a dearth of insurance facilities, owing to the recent retirement of American companies and the withdrawal of foreign ones, and the curtailing of lines in all directions. Some new companies have been organized, but, generally speaking, the principal result has been the springing up of wild-cats and the revival of the Lloyds' idea. It is a fact that more companies are needed, and if money, with brains to manage it, could be put into the business, it looks as if good dividends could be made under present favourable conditions.

The Equitable Life, or its leading offices, now practically controls no less than ten banks, trust companies or safe deposit companies.

Mr. Earles F. Holmes, Eastern secretary for the Pacific Mutual Life Insurance Company, has resigned to become second vice-president of the International Mercantile Agency, which promises shortly to become an important rival of Dun's and Bradstreet's.

Recent arrivals from Europe are Sub-Manager T. A. Rolston, of the Northern, Manager Shallcross, of the Royal, and W. T. Price, Home office manager of the North British and Mercantile.

The Equitable Life has just closed its summer school, after a month's very important and satisfactory work. The students were all from the colleges of the country, and were trained by lecturers and by instruction in practical work in the foundation principles of actual life insurance business.

QUERIST.

New York, August 6, 1902.

NEW YORK STOCK LETTER.

Office of Cummings & Co., 20 Broad street, New York City.
New York, August 6, 1902.

Public and private advices both tend to show that while the present crop may not be a phenominal one as regards the yield per acre, it will, on account of the increased acreage, be a remarktbly large one and very fine as regards the quality of the grain. Futher, the time when great damage may be done is very nearly if not entirely past, so that calculations as to the effect of such a crop can be made with comparative safety. The effect of large crops is first the increased prosperity of the producer. The return from the products enabling him to more fully enjoy not only the comforts of life, but also the luxuries. Following several years of prosperity which have enabled the farmers throughout the country to pay off their mortgages so that in certain sections where heretofore they were borrowers, they have not only paid off their indebtedness, but are now actual loaners, it can readily be seen what an enormous increase of buying power there will be when the returns from the present bountiful crop are realized. This condition of affairs is already foreshadowed in the very large increase of country buyers in this market within the past few days, and this increase is not from any one section, but is pretty evenly distributed over the entire United states, from the Rocky Mountain States, the States on the Pacific Slope, while Texas is very largely represented. The majority, however, as is usual, are from the central west.