

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

LONDON LETTER.

FINANCE.

March 5, 1902.

Signor Marconi has thoroughly frightened the British holders of cable shares. The declines in the quotations all the way down the list are evidence of the way stock has been pitched overboard since the middle of December, the time just before the announcement of the successful establishment of aetheric communication between Cornwall and Newfoundland. Eastern Telegraph Ordinary, for example, has steadily fallen from 143 to 130, and Anglo-American Telegraph Preferred Ordinary from 98 to 90. The agreement entered into between the inventor and the Canadian Government has been one of the many points in recent news tending to depreciate old cable stock. In view, however, of the experimental character of the present stage of wireless telegraphic development, the view is generally held across here that the recent severe drops in value are not justified, and should be recovered from at no distant date.

Attention is being at last called to the way in which the tape quotations of the Exchange Telegraph Company are being made the medium of enriching the worst kind of financial operators. The E.T.C. has the monopoly of the London Stock Exchange, and its "tickers" are found in clubs, offices and wherever else people interested in stocks and shares may assemble. Years ago a "ticker" would be found in every outside brokers' office, but this was stopped by the committee of the "House." Now, however, frequent and loud complaints are heard that whilst good class shares, in which business is done daily, are omitted from the tape quotations, other shares of the doubtful type are quoted, even if no business has been done on the day in question. One day last week, for example, the tape did not record *bona fide* dealings in sixteen good South African companies, and yet gave prices for thirty-one of the other kind, in which, on the day in question, no business was done.

Really, the British investor will not know what to do with his money soon. Two of the great channels of profitable investment are gradually being closed to him, although from antithetical reasons. Home Rails, by their years of dullness and positive misfortune, have almost ceased to be featured by anything except realizations by people who had held for investment, whilst, on the other hand, American Rails, in which vast sums of our money were invested, have been the objects now of such continuous buying from America itself that the British holder, whether he originally bought high or low, has been tempted to sell in the hope of being able to repurchase at a lower level. But prices have never gone so far down again as to exhibit that favourable aspect.

Thirty-six of the Rand gold mines are now actually crushing or on the point of starting. White and black labour are flocking into the district, and the market at home, having survived the drastic shake-out of weak bulls, looks as though it were on the point of another and a more lasting revival.

INSURANCE.

The latest big loss to fall on the accounts of the London marine underwriters is the grounding of the largest British sailing vessel afloat, on the east coast of one of the Channel Islands.

Although churlish folk might say it was only done from business-like motives of advertisement, I think it is interesting enough to put on record that the Standard Life Office has generously treated a war claim. Captain Rice Hamilton, in his hurry out to the front, omitted to pay the extra premium wanted to make his life policy cover the war risk. He was

wounded and died, like so very many more brave fellows. The Standard directors did not think twice about the matter. Although the policy was really inoperative the widow was paid the claim—the amount of the extra premium being first deducted in order to remove any stigma of charity from the act.

The Marine and General Mutual Life Office is not hiding its light under a bushel. Far and wide it is blazing forth in all sorts of newspapers, that all its policies which were taken out prior to 1857 have now been doubled by bonus additions. Its regular bonus now is $2\frac{1}{2}$ per cent. per annum on life policies, and this has been paid for a quarter of a century.

This is the curious office which manages to pay high bonuses whilst showing the very high expense ratio of about 18 per cent. Years ago it went as high as 29 per cent. on its premium income, but the present figure is still too high for such a first-class office. It does not undertake marine insurance as generally understood. The word in the title indicates that the office makes a special feature of insuring mariners' and passengers' goods and personal chattels.

Insurance is very quiet just now. Everything is waiting on the end of the war, and the success of the Coronation event which may synchronise.

NEW YORK STOCK LETTER.

Office of Cummings & Co., 20 Broad St., New York City.

New York, March 19, 1902.

The present is essentially a market of specialties, first one and then another being taken in hand. Last week it was Colorado Southern, this week it has been North American and Tennessee Coal and Iron, and Colorado Fuel and Iron Co.

On March 12 North American sold at $96\frac{1}{2}$, to-day it has sold at $124\frac{1}{2}$. There have been a variety of rumours concerning this property; one was that as a result of the Company's profits in recent Cincinnati Lighting deal the payment of dividends will shortly be begun on the stock. Another was that because of the Company's comprehensive charter, it may be used to carry through the Northern Securities consolidation, should the Courts pronounce against the consolidation in its present form. There is no question but what the present condition of this property is far better than it has ever been before, but whether it is warranted in selling at $124\frac{1}{2}$ is a question. Tennessee coal and Iron has gone from $67\frac{3}{4}$ to $70\frac{3}{8}$, while Colorado Fuel and Iron has gone from $92\frac{1}{2}$ to 107.

At one time the strike in Boston among the freight handlers had a very ugly look, but, fortunately, good counsels have prevailed and the matter has been settled and is not likely to cause any future uneasiness.

There is some dissatisfaction among certain of the coal miners, but, as we wrote last week, it is more than likely that this matter will also be satisfactorily adjusted. The miners have plenty of work, at fair wages, and the operators certainly do not desire a strike at this time. There is a convention of the United Mine workers, at Shamokin, Pennsylvania to-day, to pass upon the question as to whether there shall be a strike or not. Our best information is that one will not be ordered.

The proposed conversion of some \$100,000,000 of 7 per cent. Preferred Stock of the United States Steel Corporation into an equal amount of 5 per cent. bonds is affording considerable cause for comment among the more conservative thinkers, the unanimity of sentiment seems to regard the measure as a great mistake, and one fraught with peril, should a period of depression follow the present prosperous activity. It is claimed by those in favour of the measure