

Our London Letter.

Effect of the King's Death on Markets—Increasing Activity in Oil Shares—Anglo-Canadian Shipping Developments—New Colliery Issue—Government Issue a Success—Fire Offices and Changes in Accounts.

The Stock Exchange Committee could not have received more satisfactory evidence of their wisdom in refraining from opening the "House" on Saturday morning than the wonderful strength which has characterized the whole of the week's business. No body of men is more loyal than the Stock Exchange. Their love for King Edward was not mere lip-service, as they have shown over and over again when the need arose, either on the battlefield of South Africa or in the cause of King Edward's charities at home. But so many people are ignorant of the psychology of the stock markets, and the causes which move it in this and that direction, that they could not understand the news on the evening newspapers placards of last Monday, such as "The National Bereavement, Home Securities Rising." They read something almost sinister in the conjunction of rising prices on the Stock Exchange whilst a whole nation was suffering under the shock of the King's sudden death. Yet there was nothing strange in it to the man whose business it is to study conditions which influence stock markets. There is an old market axiom which says, "Sell on a good dividend; buy on a bad one." If it is feared that a company will declare a poor dividend the market in the shares is weak and lower; when the poor dividend is declared the price invariably recovers to a certain extent "let us know the worst" is the attitude of the Stock Exchange. Uncertainty, false rumours, indecision are destructive of all business. Hence, when the Stock Exchange members were depressed and low-spirited by the bulletins last Friday, all gilt-edged securities gave way in price, and no one was a buyer, for the end was not in sight. On Monday morning the worst was known, the nation had had time to steady itself from the first shock, and as the course of events in the immediate future was more or less mapped out, there was an immediate rush to buy. Home securities, home railways, foreign railways, colonial stocks, even rubbers and oils, all shared in the rush of optimistic buying which passed over the "House." There is every prospect of it continuing. When the first feeling of bereavement has passed, and the country has again turned its face to the future, we shall probably see a marvellous burst of industrial and national activity. The King who sits on the throne to-day is the King who plainly told England to "Wake up!" There is need of King George's bluff plainness and brusqueness of speech. To England, King George, in the prime of his manhood and vigour, in his sailor-like open manner, in his determination to carry through that to which he sets his hand, may prove a wonderful tonic. The years 1910 and 1911 may be boom years in the industrial and commercial worlds. We are at least, assured of a year of political peace, for there is no likelihood of a general election for twelve months. We

can settle down to a year's steady hard work, and England will be all the better for it.

Rubber and Oil.

The waves of speculation passing over the British public are interesting in their sequence. First it was rubber and rubber alone; then it was rubber and oil; now it appears to be oil and rubber; and, if all the signs of the times, speak truly, it will be oil alone in a very few months. One or two good strikes of oil in our colonies, Canada, New Zealand or Trinidad, and the oil share market would start blazing with a fierceness which would put the rubber market quite in the shade. New propositions are coming forward from all parts of the world including Canada. Three companies of interest are the Newfoundland Oil (Parent) syndicate, the Oklahoma Oil Company and the Canadian Oil Producing & Refining Company. To take the last company first, it has a capital of £75,000 and is formed for the purpose of acquiring about 500 acres of oil lands situate in Petrolia, Ontario, also a further 250 acres on lease. The Oklahoma Company is formed to hold the whole of the share capital of the Canadian Oil and Gas Company, which owns a lease of oil and gas rights over 3,440 acres in the oilfields of Oklahoma. The interest in oil-bearing properties is rapidly increasing, and all the big finance houses are open to consider any round oil propositions. The maritime uses of oil have had attention suddenly directed to them by the report that the new Cunarder for which an order has just been given and which will be the sister boat to the Mauretania and Lusitania, is to be fitted up for the use of oil-fuel. Whether this report be true or not, it is, I believe a fact that Sir Bache Cunard, and another Cunard director, have recently joined the boards of two separate oil companies.

Shipping Developments.

Events in the Canadian passenger trade are moving apace. It is officially stated at Liverpool that the Allan line contemplates building two turbine-propelled steamers, each of about 20,000 tons for the Liverpool-Canada service. The vessels will have a speed of not less than 22 knots an hour, and will therefore, be the fastest in the Canadian trade. At present the Allan line shares the mail-carrying contract with the Canadian Pacific steamers, and it is understood that their intention in building these two fast steamers is to enable them to retain the whole of the mail contract when it is renewed. The advent of the Canadian Northern Railway Company with magnificent passenger boats plying between Avonmouth and Quebec and Montreal is hailed with delight in Bristol. It is regarded as the inauguration of a new era of prosperity in a trade which was the one feature of the North Atlantic traffic wanting at the old port, the thing for which a considerable proportion of the expenditure on the Royal Edward Dock was incurred. Another event of some significance in regard to Canadian shipping developments was the departure from the Tyne of the Grand Trunk Pacific Railway Company's steamers, Prince Rupert and Prince George to their station at the com-