

the time Parliament had assembled. Again, on January 2, 1908, Consols were at 82 15-16 and a month or so later, when the Licensing Bill was introduced they stood at 87½. In February, 1909, before the Budget was introduced Consols stood at 83¾; after its introduction the price was 85 1-16. These figures have only one meaning. They show that the Stock Exchange always fears the unknown, yet it recovers quickly when it knows the worst. The present new low record of Consols must, therefore, not be attributed to anything that has already happened, but to what it is feared may happen. The aftermath of the speculation in Berlin is troubling more than one financial house on the continent; and there has been an acute financial crisis in Shanghai which has not only thrown several native banks into disorder, but which has seriously injured the prospects of Japanese and Indian cotton firms. In Wall Street the financing of the railroads creates some misgiving, whilst at home nobody, outside of the circle of rubber enthusiasts, pretends that the rubber "boom" has not left in its wake a vast amount of financial wreckage. It is not, therefore, surprising if, surrounded by all this flotsam and jetsam of the financial world, jobbers in the Consols market have found a persistent pressure to sell and have lowered the price of Consols against the sellers. There is, in addition, a large amount of undigested stock which underwriters and finance houses have had left on their hands during the past two months. I gave particulars in my letter a few weeks ago of some big issues which the public had not taken. Altogether I estimate that it will take quite two months for the financial atmosphere to be cleared.

A Big Chinese Bank.

News reaches banking circles in London which carry on business with the East of a big bank which is projected in China, and which will exercise considerable influence on the course of financial events in the Celestial Empire. The Shansih Province is the residential headquarters of most of the millionaires of China and on the promulgation of the new Bank regulations, which curtail the issue of notes, except by the Government, a group of the millionaires applied to the Government for permission to form a big bank with a capital which is equal to about 40,000,000 dollars. As Chinese banks work on a very small capital (generally not exceeding 250,000 dollars) the proposal was kindly received by the Government, as the existence of a bank with such ample resources would considerably benefit the economic conditions of the country. The Government, however, desire to have some control over the proposed bank, and invited the promoters to join the Great Chinese Bank (a Government institution), but they declined, and further insisted upon its formation as a purely private corporation. The promoters will probably obtain Government permission eventually. The presence of such a bank in the Far East will be of great importance. The capital of the Hongkong and Shanghai Bank—the largest Anglo-Chinese bank—is only \$15,000,000.

The Reported Copper Combine.

The stock market and the manufacturing world was surprised this week by a big "splash" by the

London Evening Standard over a big copper combine which it asserted had been arranged as the result of a conference at the Ritz Hotel, at which Mr. J. D. Ryan, president of the Amalgamated Copper Company, and Mr. Samuel Untermyer, the well-known New York lawyer, were present. The capital in the combine was stated to be £40,000,000. Some amusement was caused the next day by the following statement made by Mr. Untermyer, to a Financial News interviewer:—

"The statement is absolutely without foundation, there was no such conference, nor any conference whatever, on the copper situation. I have not seen Mr. Ryan for months, and have not heard of his having anything to do with the copper situation. The report is a canard."

Rio de Janeiro Tramway, Light & Power Company.

The advertisement of the Brazilian Electric Power Company, which appeared in the Toronto papers some time ago, also appeared in the Times last Friday, and gave rise to considerable apprehension among holders of the shares and bonds of the Rio de Janeiro Tramway, Light & Power Company. The following official statement was subsequently received by the newspapers this week from Dr. Pearson:—

"Federal Court of Rio de Janeiro has refused the application of Guinle & Co. to annul the injunction recently granted prohibiting Guinle & Co. and the Companhia Brasileiro de Energia Electrica from installing overhead or underground cables for the distribution of electricity in any part of the Federal district and on the islands in the Bay of Rio de Janeiro. The effect of the action confirms the monopoly of the Rio Gas Company, one of the subsidiary companies of the Rio de Janeiro Tramway, Light & Power Company. The concession, which was recently obtained by the Companhia Brasileiro de Energia Electrica was granted by the mayor of the city of Rio de Janeiro without the necessary authority, and consequently is not valid as under the organic law of the country. No franchises of this character can be granted by the mayor without previous authorization of the Municipal Council."

Death of the Chairman of the Prudential.

The insurance world will learn with regret of the death on Thursday of Mr. H. A. Harben, chairman of directors of the Prudential Assurance Company. Mr. Harben was the only son of Sir Henry Harben, President of the company.

National Boiler & General Insurance Company.

This company has not done so well during the year ended June last, although it is able to maintain its dividend at the rate of 20 per cent. The net profits were £18,952 which compare with £20,746 in 1909, and £21,584 in 1908. The reserve fund amounts to £100,000 against which there are £97,574 unparticularized investments. The latter compare with £132,574 at June, 1909. The risks attending this class of insurance are not so great as they were owing to the increasingly strict inspection by the Government of factory machinery.

LONDONER.

London, August 20, 1910.