

Our market for the last two weeks has been rather mixed, but on the whole firm, and prices close at the highest, with the exception of Toronto Railway, which has been very largely dealt in. There have been large blocks of the stock sold, it is reported. For insiders, who want the money for another enterprise, and as soon as this selling stops, we look for an advance in this stock. Commercial Cable closes very strong, and will sell much higher this fall. Montreal Street Railway is very firm, and we look for higher prices for this stock. Richelieu is also strong, and the Co. has done a very good business so far, the receipts are much better than at this time last year, and then the dividend time is coming round, so that this stock should be a purchase at present figures. In bank stocks there is very little doing, but prices are firm. There has been a little activity in cottons lately and at better prices; these securities should see better prices before long.

LONDON & LANCASHIRE LIFE ASSURANCE COMPANY, CANADIAN BRANCH. A vacancy having arisen in the position of Assistant Manager, the Directors invite applications in writing for the Appointment, giving full particulars of past experience, where derived, age and remuneration expected, addressed to the Manager of the Company for Canada at Montreal

Wanted—Thoroughly competent Inspector for a leading British Fire Office. Must be a man of experience and general knowledge of the Business. Apply with references, stating age, experience, and salary expected to "A. B. C." Insurance and Finance Chronicle office, Montreal.

REPORT OF THE INSURANCE DEPARTMENT OF THE STATE OF NEW YORK ON THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK.

For about eighteen months the available force of the Department has been engaged upon a minute examination of The Mutual Life Insurance Company of New York. This examination was begun and conducted substantially to a conclusion by the late Michael Shannon, my deputy, who for many years had been the Chief Examiner of the department. His sudden death just at the conclusion of this investigation, and before the facts and figures which he had collected had been finally formulated by him, throws upon the Superintendent the duty of presenting the results in an intelligible form. The thoroughness and accuracy of Mr. Shannon's methods make it necessary to do hardly more than to arrange his own conclusions.

The examination relates to the condition of the Company at the beginning of this calendar year; the date is coincident with that of the Company's annual statement for 1895. The results of the official examination substantially coincide with the Company's statement. The custom of the Department, in such examinations, is not to depend upon the book entries, but directly to scrutinize the property, real and personal, which the books represent as assets, to determine the liabilities according to the standard of the Department, and to examine and investigate all the disbursements of the Company.

The traditional usage of the Department, though not prescribed by

law, excludes from a company's assets all items whose cash value cannot be tested by the examination. Hence the entire amount of commuted commissions, of agents' balances and the loading of premiums, deferred or in collection, have been deducted from the Company's assets in the tables of the Department.

REAL ESTATE.

The Company's holdings of real property consist: (1) of lands and buildings purchased for its own use, and buildings erected for its own offices; and (2) lands and buildings purchased under foreclosure of loans.

OFFICE BUILDINGS.

The first class includes the principal building on Nassau, Cedar and Liberty Streets, and the former principal office on Broadway and Liberty Street, both in the city of New York; a building in Boston, one in Philadelphia, one in San Francisco, and three of moderate cost in foreign countries, viz., one in Berlin, one in the city of Mexico and the third in Sydney, Australia. I have carefully investigated the value of each of these properties with the aid of the best experts, and believe them all to have the value assigned to them on the Company's books. I find no evidence of unwise expenditure upon either of these properties.

In 1880 the Company purchased from the United States the old Post Office building, and erected upon its site the Home Office, about one hundred and ninety-seven feet front by one hundred and fifteen feet deep. The neighborhood was then beyond the financial centre of the city, but this building gave it a new character, attracting many corporations, banking firms and professional men. The Company has since made purchases of additional land adjoining its offices and large additions to its building. The land in the vicinity has steadily increased in value. The appraiser of the Department has valued the entire property now held by the Company as its principal building at a sum higher than that at which it is carried on the books. The building on Broadway which was formerly the Company's Home Office is also valued by us at more than the Company gives itself credit for.

FORECLOSED PROPERTY.

The Company's method of dealing with this class of property illustrates its wise conservatism, and has my approval.

The cash value of this real estate as determined by the appraisers for the State is in the aggregate more than it represents on the Company's books and statements. While the Department in this report cannot recognize prospective increase of value as an element in its appraisals, it is yet the opinion of the superintendent, founded on the detailed returns of the experts whom he has employed, that the valuation is one which in the aggregate no probable event in the future will reduce, while circumstances are likely to arise which will materially increase it.

STOCKS AND MONEYED CORPORATIONS.

In recent years the Company has made investments in the shares of certain financial institutions. These are among the best known of the strong financial institutions of New York, and the shares of each yield in dividends or additions to surplus a fair percentage on their cost. After examination I find that each of these purchases of stock has proved a good investment. In no case has the Company credited itself upon its books or in its statements with the full market value of such stocks. Its estimate in each case is conservative, and is less by a considerable margin than the price of the stock in the open market.

The same disposition to conservatism has prevailed in the Company's valuation of all its stocks and bonds. It is an evidence of judicious foresight in the Company to carry all its stocks and bonds upon valuations which are not likely to prove too high even in case of a panic. I approve its policy in this respect. No item included in the bonds and stocks owned is over-valued,—in fact, all of them are appraised by the Company at a lower rate than current sales would justify.

CASH ON HAND AND ON DEPOSIT.

The items of cash on hand and on deposit and interest in banks and trust companies have been carefully examined, and the entries in the