

Correspondence.

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

LONDON LETTER.

London, 17th April, 1906.
INSURANCE.

With the Budget filling the immediate political horizon, numerous inquiries are being made with the Underwriters at Lloyds as to the rate for insurance against alterations of taxation, which might be expected in the forthcoming Budget. As it is known that the Chancellor of the Exchequer is in the pleasureable position of having a large surplus at his disposal, the policies which are being issued guarantee to pay the total loss in the event of a reduction in the taxation. The chief imposts which have received attention are the Income Tax, and the Coal and Tea duties, in connection with each of these there are organized societies at work to secure their reduction. This year these societies are making greater efforts than usual, and one, the Anti-Tea Duty League, is covering our hoardings with huge pictorial posters declaring aloud the iniquity of taxing tea.

The current quotations against a reduction of the Income Tax are 50 guineas per cent., whilst 70 to 75 guineas per cent. are being paid for the guarantee to meet loss should the coal tax be abolished. From this it can be gathered that the Underwriters regard the possibility of a reduction of the Coal Tax as being by no means remote. It is well known that the personal attitude of the Chancellor of the Exchequer (Mr. Asquith), when he received the deputation on this matter, was not calculated to remove this impression.

At Lloyds, they evidently do not regard the risk of a drop in the duty on tea as very great, and so business has been done at a much lower price than the lowest of the above. It is remembered that last year, Underwriters who charged 25 guineas per cent. against a reduction of the tea duty made a heavy loss. A similar loss arose in the case of the sugar duties, but on balance Lloyds stood all right, owing to the income tax not being reduced. The risk of reduction last year was reckoned to be so great that rates rose from 30 guineas to 80 guineas per cent., and all the money, was of course, so much clear gain in the end. This year business is not very brisk in any of these risks. The market is, of course, limited at the best of times, but business is brisker when there is a threatened Budget deficit and when people want to protect themselves against being the losers by the imposition of new taxes.

STOCK EXCHANGE NOTES.

Wednesday, p.m., April 25, 1906.

The local market has been very dull this week, but despite the heaviness in New York, the declines in prices here have been small. The general list, however, closes under last week's figures. There is an evident lack of liquidation, but what little selling comes on the market is finding limited enquiry, and this is mainly due to the extreme stringency of money. If it were not for this good buying would no doubt be seen at the present attractive level of securities. The banks, however, are not putting out any new money, and the tightness will likely prevail until after the close of the month. The stringency is somewhat unusual, at this period of the year, and it is thought that the opening of navigation will tend to relieve the situation somewhat. The New York market showed

a disposition to rally after the first three or four days heavy declines induced by the San Francisco catastrophe, but strength has not held. The market was weak to-day, and the closing irregular and unsettled. Stocks have now all had a heavy reaction and under ordinary circumstances a recovery could be looked for. Sentiment, however, is so disturbed and the market movements so puzzling, that it is difficult to give any adequate estimate of stock prices in the immediate future. Dominion Iron Common was the most active stock in this week's market. Under the pressure of the last few days it declined to 30, but at this price there was buying, and it rapidly recovered over a point of the lost ground. Montreal Street Railway and Montreal Power were also in good demand at the lower prices, and the former to-day moved up 3½ points from the lowest.

The stock of the Automatic Railway Signal Company, Ltd., has been listed and was called for the first time to-day. The authorized capital of the Company is \$500,000, of which there is in the Treasury \$43,700. The only transaction to-day was a sale of 25 shares which changed hands at 91½, and the closing quotation was 93 asked and 90 bid.

Call money in Montreal is scarce, and the local rate remains firm at 5½ per cent., with practically no new money offering. In New York the rate to-day was 4 per cent., and the rate in London was 3½ per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris.....	2½	3
Berlin.....	3½	5
Amsterdam.....	2 15-16	3
Vienna.....	4½	4½
Brussels.....	3½	4

C. P. R. declined to 160 here, recovering to 161¾ again, and closing with 160½ X. R. bid, equivalent to 172½, as the Rights are worth 12. The total transactions this week only totalled 800 shares. The earnings for the third week of April show an increase of \$320,000.

Soo Common on sales of 175 shares for the week closed with 156¾ bid, a decline of ¼ point on quotation for the week.

The Grand Trunk Railway Company's earnings for the third week of April show an increase of \$37,815.

Montreal Street Railway closed with 271 X. D. bid, a decline of 2¾ points from last week's closing quotation. The transactions brought out 2,212 shares. The lowest of the week was 269 and to-day's highest was 272½ bid. The earnings for the week ending 21st inst. show an increase of \$10,107.32 as follows:—

		Increase.
Sunday.....	\$6,027.80	\$1,207.28
Monday.....	8,541.93	1,213.03
Tuesday.....	8,399.52	1,403.21
Wednesday.....	8,151.10	1,338.28
Thursday.....	7,964.28	892.68
Friday.....	7,878.73	2,975.44
Saturday.....	8,964.13	1,077.40

Toronto Railway will sell Ex-Rights on Friday, and closed to-day at 119½ bid, a decline of 2½ points for the week, and 1,437 shares changed hands, a great part of the trading being made up of broken lots to even up for allotment. The books will close for transfer in connection with issue of new stock, on Saturday 28th inst. The earnings for the week ending 21st inst. show an increase of \$8,834.03 as follows:—