

when they can know that this inefficient service is replaced by the better one now voted. Some of the daily papers with their usual infelicity when dealing with fire insurance companies and their practices, say that underwriters intimated before election time, that should the Pumping Engine By-law fail to carry, there might be an increase in rates, so they should now reduce rates, seeing a better situation is to be brought about in the way of water pressure and reserve force. The answer to such a contention is simple and ready. The present rates of the City of Toronto as made and applied by the Toronto Board, are based upon the understanding that a first-class system of modern fire appliances, and all that this implies in the way of service, water pressure, steam fire engines, fire alarm system, etc. Therefore, whilst any long permitted deterioration or impairment in the character of an of such appliances renders the city liable to an instant increase of the current rates, any necessary perfecting or improvement or re-modelling of weakened parts of the fire protection system, does not in the least justify a clamour now for lowered rates. Rather should the patience and good nature of the insurance companies be commended in this matter, seeing that everyone of them has known for some time past (as even at this instant) that if a certain now over-worked engine broke down, the city would be short of the necessary pressure for fire purposes.

Evidently, the Hamilton people do not appreciate departmental stores, or else they are ambitious of building bigger and better ones than they have, and so rivalling our Eaton's and Simpson's establishments.

Yours,

ARIEL.

Toronto, 13th January, 1903.

LONDON LETTER.

FINANCE.

1st January, 1903.

Very seldom has any Christmas week furnished a financial sensation like this one. Mr. Rowe, a well-known city man—secretary of seven very important West Australian mining companies, and recently admitted a partner in the prominent mining engineering firm of Bewick, Moreing & Co.,—absconded on Monday, after writing a confession. He had forged share certificates of the Great Fingall Company. The losses which are expected to reach \$75,000, will probably be met by the firm in which the absconding man was partner.

Trouble in Morocco overshadows the Stock Market at the beginning of the New Year. So many conflicting interests are there that the anxiety of finances of all degrees was very conceivable, and the chief hope is that as the messages come from Spanish sources, they must be considerably exaggerated.

Looking back on the year which has just come to an end, everyone who is in touch with the London market will agree that, financially speaking, things have been stagnant. At the beginning of the twelve month Kaffirs tried on a boomlet which soon came to an end, and at the close of the year they once more got a little livelier. Otherwise it has been so much worrying idleness.

* * *

There has been a little increase in the appeals made for public subscription. Altogether, "new issues" of all kinds, number 367, with a total nominal capitalization of \$929,000,000 against 364 for \$880,000,000 in 1901.

* * *

Going into particulars there were fifty-eight public loans offered during the year, and there was one financial issue of a peculiar kind; fifty-seven new commercial and

miscellaneous companies, seventy-seven new mining companies and 174 new issues of capital made by existing companies.

* * *

So much for the past. What of the future? Well, we in the city expect cheerful markets. Prices everywhere, or nearly everywhere are in a most depressed condition. Consols, for example, are down to round about 93, and the automatic reduction of interest, which comes about within a few months now, has there been well enough discounted.

* * *

Above all it is hoped that the Government will once again become a buyer and not a seller of Consols, by proceeding to re-institute the old sinking funds.

* * *

Our Home railways are all showing handsome traffic increases, and it is clear that the continued expansion of expenditure will drive even the most Conservative Boards to a consideration of the ways and means of economizing.

* * *

Give us peace and things will turn round. 1902 will long remain as a bad year in the minds of those who go down to the city. It is finished.

INSURANCE.

In the early part of 1901 the Nippon Insurance Company, which was doing a considerable marine business in London, stopped short and afterwards went into liquidation. After this prolonged wait we learn that the liquidation is turning out better than was anticipated.

Liabilities are found to be equal to \$400,000, of which some \$225,000 will be paid in full. As regards the remainder, payment must proceed slower. Two dividends each of 33 per cent. have been paid, and another one of uncertain size is coming along.

The fate of the Nippon serves to illustrate forcibly the difficulty in the way of a foreign marine company doing business in the crowded London market. Business can be got, it is true, but its character is not by any means good, and in many cases bad business belongs entirely to the "dear at any price" class.

* * *

The annual insurance of the ferry-boats belonging to the London County Council has just been renewed. The insuring office is the Commercial Union, and the total amount covered is \$120,000, the premium being \$2,170. The sludge vessels of Q. L. C. C. are insured also, but through a private broker, who began by making the Council pay 3½ per cent, but who now lets it off with 1½ per cent.

NEW YORK STOCK LETTER.

Office of Cummings & Co., 20 Broad St., New York City.
New York, January 14, 1903.

During the week the market has continued to decline on heavy sales for realization, and helped on by the bear contingent, until now quite a large-sized short interest exists. And it is generally believed that when those who sold on the advance of last week, have replaced the stocks then sold, that there will be another upward movement that will carry prices somewhat higher than they have been for some time. From a general view of the situation it would appear that there are a number of pools, and some of the larger promoting houses have on hand large amounts of securities which they have not as yet been able to market, as the general public have not come into the market to the extent that was hoped or expected. The fact is that the American investor has been educated to a point where he is about as well posted as some of the