

THE INTEREST RATE ON FUTURE INVESTMENTS.

What Life Companies Can Count upon Receiving.—
Modifying Conditions.—The Effort to Collect
Reliable Data.

The rate of interest on assets invested which life-insurance companies can count upon receiving during the next twenty years has been generally discussed in insurance circles for months past. The N. Y. "Evening Post," says regarding this question:—Experts have differed about the matter, and in order to collect reliable data, James W. Alexander, Vice-President of the Equitable Life Assurance Society, asked prominent bankers throughout the country for their views on the subject. These have just been collected, and were made public to-day, showing that most financiers believe that 3 per cent. may be the average rate reached during future years. Lyman J. Gage, Secretary of the Treasury, says that any estimate may be modified by circumstances and vicissitudes which cannot be foreseen. He adds: "Looked at, however, in the light of probabilities, with the general average conditions, social and national, which have prevailed for twenty years past, and taking into account the rapid increase of capital and the growing economies in production and distribution, it would seem that the tendency of interest was permanently downward, and that it would be hazardous to estimate a rate higher than 3 per cent., as an average available return upon high-grade securities during the next twenty years. On the other hand, with our country largely undeveloped in its latent resources, as it is affording still room for the intelligent application of capital to the development of such resources, it would seem to me that 3 per cent. might be fairly estimated to be a realizable average rate. This, at least, is about the point where my judgment balances the question."

Mr. Gage's view is shared by Conrad N. Jordon, Assistant-Treasurer of the United States, John A. Stewart, President of the United States Trust Company; H. W. Cannon, President of the Chase National Bank of New York; John Harsen Rhoades, President of the Greenwich Savings Bank; Louis Fitzgerald, President of the Mercantile Trust Company; Richard Delafield, Vice-President of the National Park Bank of New York; August Belmont, Levi P. Morton, and other bankers of this city. Some say that the companies may realize as high as 3 1-2 per cent., but nearly all agree that 3 per cent. is the conservative estimate. James T. Woodward, President of the Hanover National Bank, believes that a large life insurance company cannot estimate the return on new investments for the next ten years at a higher rate than 3 1-2 per cent. J. Edward Simmons, President of the Fourth National Bank, quotes 3 1-2 per cent. as the outside rate that companies can calculate on realizing during the next twenty years.

Edward Atkinson of Boston thinks it likely that 2 1-2 per cent. will be the normal rate before long on which companies can safely base computations of reserve. He says: "I have never witnessed a period in which the accumulation of capital in this country has proceeded with the rapidity of the last decade, even including the period of panic and depression. That capital consists in an excess of useful products beyond immediate consumption when fully met. Unless we find a large outlet for the safe export and investment of the proceeds of this surplus, I am of opinion that capital will accumulate in this country more rapidly than general intelligence, which is necessary to its use. It will be many years before many states of this country come to the conclusion that, where the

equal rights of creditors are not respected, or where preferences are given to debtors, capital cannot be safely invested, neither can capital be safely invested, in a community which advocates flat money, and would force cheap money of any kind upon creditors without respect to the unit or standard of value of the world."

BEARING FRUIT.—"As we predicted in our January number," says President C. B. Whiting of the Orient Insurance Company, "eighteen ninety-nine opens up with a loss ratio for the two months of its existence which has fairly astonished the pessimistic underwriter. Even he has a lump in his throat, which prevents him from exclaiming with any happiness in his voice, 'I told you so.' The snows, the wide area of cold weather, together with high winds, have made the fraternity without a single exception

CANADIAN PACIFIC RAILWAY CO.**NOTICE TO SHAREHOLDERS.**

THE Eighteenth Annual Meeting of the shareholders of this Company, for the election of directors and the transaction of business generally, will be held on Wednesday, the fifth day of April next, at the principal office of the company at Montreal, at twelve o'clock noon.

The common stock transfer books will close in London, at 3 p.m. on Tuesday, 28th February, and in Montreal and New York on Friday, 10th March. The preference stock books will close at 3 p.m. on Friday, 10th March.

All books will be re-opened on Thursday, 6th April.

By order of the Board,

CHARLES DRINKWATER,

Secretary.

Montreal, 6th February, 1899.

CANADIAN PACIFIC RAILWAY CO.

Dividends for the half year ended December 31st, 1898, have been declared as follows:

On the Preference Stock, two per cent.
On the Common Stock, two per cent.

Warrants for the Common Stock dividend will be mailed on or about April 1st to Shareholders of record at the closing of the books in New York and London respectively.

The Preference Stock dividend will be paid on Saturday, April 1st, to Shareholders of record at the closing of the books at the Company's London Office, 1 Queen Victoria street, London, E. C.

The Common Stock transfer books will close in London at 3 p.m. on Tuesday, February 28, and in Montreal and New York on Friday, March 10. The Preference Stock books will close at 3 p.m. on Friday, March 10.

All books will be re-opened on Thursday, 6th April. By order of the Board.

CHARLES DRINKWATER, Secretary.
Montreal, February 6th, 1899.

Montreal-London Gold and Silver Develop- ment Co., Ltd.

Notice is hereby given to the shareholders of this Company that a Dividend of one cent per share has this day been declared on the Capital Stock, payable on Saturday, the 1st of April, 1899, to Stockholders on record on the evening of the 15th March, 1899.

The transfer books will be closed on the 15th March, 1899, and remain closed until Saturday, the 1st April, 1899, to prepare for the payment of the dividend.

By order of the Board of Directors.

T. JAMES CLAXTON,

Secretary.

Montreal, February 22nd, 1899.