loan in the immediate future. A cable dispatch from London this week emphasizes the point that the new flotations so far arranged this year have been for the purpose of retiring floating indebtedness and not for the purpose of increasing the liabilities of the issuing corporations.

The shipments of gold from New York to Paris are understood to be in preparation for the large loan offerings of the next few weeks at the French capital.

NEW YORK POSITION.

At New York money has been weak; call loans are 1⅞ to 2 p.c.; sixty day loans, 2¾ to 3 p.c.; ninety days, 3 to 3½; and six months, 3¾ to 4 p.c. Owing to a huge rise in the aggregate of their loans the clearing house institutions at the big American centre reported a decrease of reserves. Loans increased in case of banks and trust companies $73,086,000; cash holdings increased $16,100,000; and surplus reserve decreased $5,045,000. The surplus, however, stood at a large figure even after this reduction—$38,065,000. The banks alone expanded the loan account $70,549,000 and they had $14,200,000 gain in cash—the net result being a decrease of $6,459,000 in surplus.

The large cash gain was due, of course, to the continued movement of currency to New York from the interior—offset to a small extent by the gold export movement to Paris. The huge loan expansion is said to be due to large flotations of securities—the New York City loan being the principal cause—also to re-transference to clearing house banks of loans carried by outside institutions.

WALL STREET MORE CHEERFUL.

Wall Street has continued to be in a more cheerful frame of mind—the developments of the week have been favorable on the whole. The United States Steel Corporation, in reporting earnings for the last quarter of 1913 and for the year, showed that in the last quarter the dividend on the common stock was not earned. However, taking the results for the whole year there is a substantial surplus over dividends; and the Corporation was able to appropriate $15,000,000 from surplus for expenditures on plants, etc.—this appropriation being the first for that purpose since 1910. In the last few days the steel business at Pittsburg has been considerably brightened through receipt of large orders from railways and other corporations.

MONTREAL FIRE RATES NOT YET RAISED.

The statement appearing in a leading New York commercial journal that the Canadian Fire Underwriters' Association has raised the rates on all mercantile risks, excepting those which are sprinklered, in the district served by the city waterworks of Montreal, by putting on a flat extra charge of 25 cents, is untrue. No advance in Montreal rates has yet been made. We understand that at a recent meeting of the Association, a proposal was made in the terms stated above, but it was defeated.

THE CANADA LIFE'S REPORT.

The sixty-seventh annual report of the Canada Life Assurance Company forms another record of steady progress by this Company. In many respects 1913 proved itself to be a notable year. The surplus earned was the greatest in the Company's history, income showed a material increase over that of any previous year, assets were increased by nearly $4,000,000, the total assurances in force were raised above $150,000,000, the interest rate was again improved, and mortality was better than the expectation. These facts form an effective indication of the continued success of the Canada Life and must be as gratifying to Mr. E. W. Cox, the new President and his staff, as they should be to the policyholders.

New paid-for business during 1913 reached $15,348,819, bringing the amount of business in force at the end of the year up to $153,121,364. Net premium income, including considerations for annuities, amounted to $5,606,452, an increase of $450,000 over 1912 when the premium income was $5,153,995. Interest income including profits realized on the sale of securities amounted to $2,488,433, making the total income from all sources, $8,094,886, an increase of $698,126 over that of 1912. Payments to policyholders amounted to $2,878,016, an increase of $415,051, while loans to policyholders during the year amounted to almost $1,700,000.

The assets were increased to $52,161,795, the total surplus on policyholders' account being $6,183,278. Surplus actually earned during the year was $1,709,960, an increase of $179,293 on the best previous year in the Company's history. Of the assets, $19,206,541 are represented by government, municipal and other bonds, stocks and debentures, $19,080,830 by mortgages on real estate, and $7,901,649 by loans on policies. The real estate owned, including the Company's buildings in the important Canadian centres and in London, England, represents $3,580,135.

RE-VALUATION ON AMORTIZATION SYSTEM.

The interesting announcement was made at the annual meeting that the valuation of all bonds and debentures on the amortization system, has now been completed. This revaluation was commenced in 1900, and has been extended to different sections of the bond and debenture holdings from year to year until finally completed in 1913. For the benefit of those who are not familiar with this method of valuation, Mr. E. W. Cox, the Company's President, explained that it is based upon the original purchase price of the bonds and debentures, which are valued by computing their present value under the actual rate of interest realized if the bonds and debentures are held to maturity. This method does not in any way affect either the value or the yield rate which was contracted for in their purchase, but on the assumption that these bonds and debentures are to be held until maturity it enables the company to ignore the market value of them, as, no matter what the fluctuations may be, the Company is bound to receive the face value at the time specified. This method is now being advocated strongly by the Life Presidents' Association, and a short time ago its merits were drawn attention to by THE CHRONICLE. It is satisfactory to know that the Canada Life leads in the adoption of a method of valuation which is scientific in principle and has been tested by long experience.