A REMARKABLE MINERAL.

Litho carbon, which is a mineral some what resembling asphalt, is the most remarkable mineral of its class known. It is claimed that it makes a perfect insulator; that as a paint it will resist heat or gasses of any kind; that it is capable of being rolled into a tissue free from odor, and practically indestructible when employed in the production of mackintoshes, canvas belting, waterproof tents, etc. It possesses peculiar powers, enabling it to enter and fill the pores of iron and steel, rendering these metals impervious to acids, ets. It is also said to make common leather waterproof, and it can be applied to wood pulp for the transformation of that material into what looks and acts like ebony or horn.

The saturation of a ship's plates with hot litho carbon frustrates the attack of barnacles, and the plate will neither rust nor foul. A portion of the smokestack of the steamer Dean Richmond, where the heat, through the use of a blower, rises to 800 degrees Fahrenheit, was painted with litho carbon several months ago, and remains undisturbed and unblistered, while other parts of the vessel have necessarily been painted many times.

A piece of sheet-iron covered with litho carbon japan is stated to have been subjected to an actual heat of 115 degrees Fahrenheit, without crack or blister, and remained so tenacious that the iron could be bent at any angle without disturbing the glossy surface. For varnishing railway and private carriages, painting iron bridges, roofs, steamships, houses, etc., this material acts as an insulator, and it is reported that it will neither crack nor blister under any known atmospheric temperature. At great heat, litho carbon will soften, but it will not take fire at any point. If all that we hear of this mineral be true, it will form one of the most widely useful substances of its class known.

INVESTMENTS OF THE LIFE COMPANIES.

As we have repeatedly pointed out, it is a matter of very grave concern that the life insurance companies of the United States seem to find it necessary to invest their funds so largely in miscellaneous stocks and bonds. Railway and telegraph and transportation companies securities, and bank stocks, are not the most desirable securities for trust-funds designed for the protection of the distant future to tie to. Municipal debentures, school bonds and kindred securities are comparatively safe, while real estate loans, properly made, are also of the same character. We appreciate the difficulty of investing more than eight hundred millions of dollars of assets in gilt edged securities, but the importance of the subject is not lessened by that fact. It will be found on examination that about 40 per cent. of the total assets of the United States companies are invested in first mortgages on real estate, about 9.5 per cent. in municipal and kindred bonds and government securities, while about 27 per cent. is invested in miscellaneous stocks and bonds subject to daily quotation and fluctuation in the money market. About 6 per cent. is loaned on collateral securities, largely of the latter class, and approximately 10 per cent. is in real estate owned. It requires no superior financial genius to understand that 27 per cent. of the total assets of the companies being in fluctuating securities might, under certain entirely possible circumstances, cause such a shrinkage as to seriously imperil the surplus held. We do not lose sight of the fact—and it is a very important one—that great care and much vigilance is exercised by the executives of the companies in the selection of these miscellaneous securities, but still no man's sagacity is sufficient to tell what the condition of a given railway, or the realizable value of its bonds a year hence may be.

In this connection, it is important to notice, that during the last dozen years the item of real estate mortgages in the schedule of assets has decreased about three per cent., while that of stocks, bonds, etc., has actually doubled its percentage, or gone from 18.5 per cent. in 1880 to 36.5 in 1891. As before stated, over nine per cent. of the latter is in municipal and similar desirable securities, however. This increase has gone on steadily each year for many years, while for the last five or six years real estate loans have varied but little either way. The tendency which we have noted toward increase for a term of years of miscellaneous bonds, etc., and the decrease of real estate loans among the United States companies is also found among the British life companies, though in a less degree. Thus we find that in 1872 the item of "railway and other stocks and bonds and debentures" constituted about 13 per cent. of the assets, while in 1890 it constituted over 16 per cent. On the other hand, first mortgage loans in 1872 were 48 per cent. and in 1890 only 43 per cent. of the assets. The much less rapid accumulation of assets calling for investment among the British than among the American companies of course helps to account for the less marked increase and decrease in the holdings compared.

It is with considerable satisfaction that we note the improved condition rather than the reverse in the investments of the Canadian life companies during the past few years. Thus we find that, while in 1880 first mortgage loans constituted but 24 per cent. of the total assets, in 1886 they had grown to 33 per cent., and in 1891 to 43 per cent. Debentures and bonds and stocks of various kinds made up 47 per cent. of the assets in 1880, 34 per cent. in 1886, and 22 per cent. in 1891. The greater portion of the Canadian companies now have no investments whatever in railway or bank stocks or kindred securities, so that, with one or two exceptions, the above 22 per cent. represents very desirable holdings in first class municipal and town debentures and government securities. That securities of these latter varieties are growing in favor, and careful loans sought on real estate security, is a tendency among Canadian companies to be noted with satisfaction. Too much caution cannot be exercised by the companies in this matter of investment, for it is the bridge to carry safely over an increasing throng of widows and orphans.—*Insurance and Finance Chronicle.*

WORTHY OF YOUR CONSIDERATION

The *Northwest Trade*, in a recent issue draws a pen picture which many retail merchants might with profit to themselves put into practice. It says Smith and Jones buy their goods at the same place. They are both consumers; they are both "good customers:" there isn't 75 cents difference in the total amount of the goods they buy each week, both pay their debts—always, Smith pays cash on delivery; Jones pays—when he gets ready. Which is the better customer? Now, can there be any doubt on this score? You will all say Smith is, because he pays spot cash. Why that? Because the dealer gets the immediate use of his money, while Jones has the use of the dealer's money. That is true, isn't it? Very well, what does the dealer do, does he charge Jones interest in any way, shape or manner? No, he even sells him goods at the same price he sells Smith. Then the dealer encourages the credit customer and discourages the cash customer, doesn't he? Smith pays cash and pays as much as Jones, who pays in one, two or three months and meanwhile enjoys the use of the money he owes the dealer—another man's money. That is the way, only on a larger scale, that some men get rich on the interest of what they owe.

Now you are a dealer. Figure this up on an ordinarily good customer and see what it amounts to in a year in your own business. "But I can't sell for cash," you say. Of course you can't and you never will so long as you put cash Smith and credit Jones on the same basis, for Smith is no fool. He learns after a while that he might just as well have the use of your money as neighbor Jones, especially if he doesn't gain anything over Jones (actually loses) by giving you spot cash. Jones gets the "unearned increment" with a vengeance.

Now, grocer, butcher, baker, hardware man, or whatever you may be, is this fair to Smith or fair to yourself? Let Smith pay cash—it is your due and his duty—and let him pay the prevailing market price if possible, but let Jones pay too—something more than Smith pays, to cover interest. In a small business on a small loan for short time money is worth a great deal more than bank interest. It is worth it to you, and Jones is the fellow who ought to make it up to you.

Suppose you don't do this, and suddenly all the Smiths stop paying cash. Then, where are you at? You, of course, go into banks and pay interest yourself on not only the principal that is due you from the Smith and Jones families, but you pay interest also on the interest they owe you. In other words, you pay compound interest for the pleasure of doing business. Now, as business men, are we not chumps—great big, first-class chumps—if we manage our financial affairs in this fashion? And yet how many are there of us who do just this thing. Can't you see any way out of it? Have you thought and toiled and prayed over it? If not, you would better."

It is stated at Buenos Ayres that Dr. Pelligrini will succeed Senor Plaza as Argentine representative in London.