

Manager A. G. Mellwaine of the London and Lancashire, has just sailed to Europe for a visit to the Home Office.

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A new arrival in New York is Mr. M. T. Price, General Manager of the North British and Mercantile Insurance Company, at the Home Office.

QUERIST.

### LONDON LETTER.

London, England, 22nd Sep., 1905.

#### FINANCE

The "bears" who have been out of the Grand Trunk market here and in Glasgow are beginning to feel their way back by degrees. Directly the ordinary stock touched 27, which it did momentarily last week, short selling began, smartly and aggressively. The stock had risen with few set-backs from 19 a few months ago and all the professional crowd had been systematically bullish. The first raid on the price knocked it down in the course of a few days from 27 to 25½. Urine covering and the absence of any increase in the Bank Rate this week has brought about a recovering to about 26.

The question of an expected increase in the bank rate must dominate markets for some time to come. On Sept. 7, after we had had a 2½ rate for fully six months, the Bank of England rate was raised to 3%. At any time now a further ½ might be added as a protective measure in view of persistent withdrawals of gold. Only one national bank rate in Europe is lower than the English at the moment and that is the 2½ ruling for the Netherlands.

In France, Germany and Belgium the ruling rate is like our own, 3%. Austria and Switzerland quote 3½%, Denmark 4%, Spain, Sweden and Norway 4½%, Italy and Roumania 5%, Russia and Portugal 5½%, Servia 6%, Greece 6½%, and Bulgaria 8%.

Well-informed students of money are of the opinion that currency stringency, should it eventuate at all, will be of very brief duration here. The permanent forces of the international money market make for a resumption of ease—and a prolonged resumption at that.

One side feature of the revived activity in dealing in South African shares, and especially Rhodesian ones, is the impetus which is being given to the movement towards colonising Rhodesia with good British yeomen. Passages and land transfers are being arranged on easy terms and the United Kingdom agriculturalists are bidden to the feast in their hosts. How far they will listen to the syrens remains to be seen, but for a time it looks as though Canada is going to have a strong competitor in the race for the bigger shares of surplus Britain.

The valiant efforts to boom Egypt and the Sudan as outlets for British capital show no cessation. Sir Ernest Cassel, who is a fervent believer in the destinies of the Nile, is shortly issuing, here and in Cairo, a \$25,000,000 company for Egyptian exploration. In Egypt the natives and the Egypto-Europeans are great gamblers in shares now-a-days. They are quite forsaking their old favourites, the produce exchanges.

#### INSURANCE

A good many little insurance companies floated across here during the last few years are getting used up rapidly in the furnace of voluntary liquidation. Some are making strenuous endeavours to get on their feet, and one or two are after re-insurance business in America. There are obvious limits to the powers and potentialities of a couple of thousand dollars.

The feature of recent developments of the campaign against American insurance companies is the attack upon the New York Life in connection with the alleged absence of cash surrender values until the expiration of the accumulation period. Mr. Seton Lindsay, who apparently thought it good policy to reply personally to one of the attacks, pointed out, however, that after premiums have been paid in cash for three full years the insured person may obtain a substantial cash loan on the sole security of the policy upon written request if the policy is then in force. There is, he asserts, no clause

binding the insured to pay interest beyond the one year, unless his policy be kept in force. If the policy is not kept in force the loan then operates as a surrender value.

This plain statement does not prevent the company having a full share of the harsh treatment and misrepresentation which is now being poured out pretty regularly for the alleged benefit of the British policy-holders.

### STOCK EXCHANGE NOTES.

Wednesday p.m., October 4th, 1905.

Activity in Dominion Iron securities continued this week and held strong on a good volume of business. The Preferred stock was especially buoyant and gained over 5 points. The advance in Montreal Power continued and was the third most active stock this week. It is considered likely that the Company will conclude some satisfactory arrangement of the light question with the city. Were this accomplished the stock should be an attractive investment. Montreal Street Railway, which has continued inactive for some months past, jumped into prominence this week and advanced over 14 points. The Company's fiscal year, which is just concluded, has shown satisfactory returns, and from the general position of the Company, its stock should be cheap at 250, at which price it returns 4% on the investment.

The annual meetings of the C.P.R. Company and the Lake of the Woods Milling Company were held to-day, and are both referred to more fully in another column.

While it is not likely that money will become unduly stringent this fall, the advance of the Berlin bank rate to 5% following on the advance in the rate of the Bank of England, has had a somewhat unsettling effect in the foreign money markets, the disturbance being reflected in New York by the somewhat higher rates there. Locally, money supply continues unchanged, but the rate has been advanced to 5%. In New York the call rate to-day was 5½%, while in London call loans were made at 3%.

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

	Market.	Bank.
Paris.....	2½	3
Berlin.....	3½	5
Amsterdam.....	2½	2½
Brussels.....	2½	3
Vienna.....	3½	3½

C.P.R. advanced on Monday to 176, but has reacted from this and closed with 173½ bid, a net loss of ½ of a point for the week. The stock was inactive in this market, and only 286 shares in all came out during the week. The earnings for the last nine days of September show an increase of \$329,000.

The Grand Trunk Railway Company's earnings for the last nine days of September show an increase of \$40,500. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day
First Preference.....	115	114½
Second Preference.....	106½	106½
Third Preference.....	62	61½

Montreal Street became quite active this week and was traded in to the extent of 5,611 shares. Under the impulse of the buying the price advanced sharply to 240½, reacting this afternoon to 236, a net gain of 10 full points on quotation for the week, but a reaction of 4½ points from the highest. The earnings for the week ending 30th ult., show an increase of \$5,718.90 as follows:—

		Increase.
Sunday.....	\$6,904.09	\$1,223.87
Monday.....	8,152.92	600.97
Tuesday.....	7,984.83	531.77
Wednesday.....	7,560.10	281.56
Thursday.....	8,235.03	1,623.86
Friday.....	8,003.47	493.13
Saturday.....	8,944.32	871.74