

for lost time. The usual expectations are being indulged in of increased Stock Exchange business as a result of the fact that bank deposits return now no more than $1\frac{1}{2}$ p.c., but during recent times this expectation has so often been disappointed that it is not well, perhaps, to build too much upon it. On the whole, the position of markets is healthy, the only excited corner being the rubber section, and, as the January returns show, the trade outlook is distinctly good. The only weak spot is cotton, the imports of raw material dropping in comparison with January of last year, £3,051,000 in value and 2,052,000 cwts. in quantity, which emphasizes the lugubrious opinion regarding Lancashire trade mentioned in this column a week or two ago. On the other hand may be noted, however, a real revival in the important shipbuilding trade, in which exports are £1,736,000 up. In the main, then, and with minor reservations the outlook for markets may be considered very fair.

British Railway Developments.

It is curious that while the reduction in the bank rate sent up Colonial stocks all round it hardly moved a quotation in the British railway market. Investors are "dead off" this section, although the companies have concluded this week a really handsome series of dividend declarations, which shows that the policy of co-operation is beginning to bear fruit. Taking the principal companies, no fewer than seventeen were able to increase their dividends, and this, too, in several instances in the face of traffics which had either shrunk or remained stationary. Fifteen or twenty years ago, these dividends would have set the market buzzing away like mad. Now, nobody cares.

One or two important matters have come out at the railway meetings. There is a reasonable probability it appears of an agreement for the limitation of competition being fixed up at an early date between the Great Western (of whose enterprise I wrote a few weeks ago) and its rival the London and South Western. As these lines have been in the habit of running several high-speed trains a day, simultaneously to the west of England, this ought to result in some saving of shareholders' money. A matter of greater importance is the announcement made at the Brighton Company's meeting that since the opening of the electrified suburban line through South London between Victoria and London Bridge, the company's west-end and city terminals respectively, the company has got back practically all the traffic on this section it had previously lost to the trams run by the London County Council. This is an extraordinary result, the electric trains in place of steam trains having only been run since December 1, and, probably, if the experiment continues successful, it will have a very far-reaching influence upon London suburban traffic. For years past the London railways have been losing their suburban passengers to an extraordinary extent as the result of tram and motor bus competition. In the second half of 1909, for instance, the Great Eastern lost 47 million passengers, the London and South Western 32 millions, the South Eastern and Chatham, 27 millions in comparison with the previous year, and it is understood that several of the

companies have only been waiting to see how the Brighton's experiment resulted before themselves taking decisive steps to turn the tide. With this experiment an assured success the gradual electrification of the whole of London's suburban railways is merely a matter of time. On this side we have not, of course, the natural resources with which you are favoured in Canada; electric power is expensive and electrification has to be undertaken not to save money but to gain traffic. This consideration will probably prevent any extension of electrification to main line working with us for some time to come.

A Batch of New Issues.

Contrary to the expectations of a good many of us, the London portion of the new Bulgarian loan—£3,960,000 (divided among six centres) in $4\frac{1}{2}$ p.c. bonds at 91—went extremely well and now stands at a substantial premium. The market was impressed by the fact that the Government owns property valued at 50 millions, though how much this value would be decreased in the not impossible event of a flare-up in the Balkans was not stated. The Brazilian conversion loan—10 millions in 4 p.c.'s at $87\frac{1}{2}$ —has also been successfully floated. Big issues in the future will come from New South Wales, Auckland (New Zealand), the Chilean Government and a company which has been formed to develop British New Guinea. This latter is under very powerful auspices and will issue its prospectus simultaneously in London and Australasia. Of Canadian issues that of United Asbestos bonds is being heralded by various advertised statements regarding the company and industry, and we hear also of a new "Canadian Mortgage Bank" with a capital of one million which will shortly invite the confidence of the investing public, its primary object being stated as "to grant mortgages on land or houses." Mortgage banks, though unknown here, employ a good deal of British capital in Egypt and elsewhere, and within recent years, British capital has also been privately subscribed to some of these mortgage banks on the Continent where they are very common.

The Grand Trunk's Dividend.

The Grand Trunk dividend announcement is again a surprise, but on this occasion a pleasant one. Some people, indeed, were confident enough to prophesy the full dividend on the second preference, but the big amount set aside for the reduction of the much discussed engine and car renewal suspense account was a *bonne bouche*, indeed, and it is this probably more than the actual dividend which had so spectacular an effect upon price movements yesterday. Business was on a large scale, the first preference closing 4 up at $108\frac{1}{2}$; the seconds $5\frac{1}{2}$ up at $99\frac{1}{2}$ after touching par; the thirds went up to $55\frac{1}{4}$ and finished at $54\frac{3}{4}$ in comparison with $51\frac{1}{4}$ the previous day and the ordinary finished at $22\frac{3}{8}$, an advance of $2\frac{3}{8}$ after being 23. The only point about which we have to grumble at the moment is that there is nothing in the dividend announcement about the guarantees on Grand Trunk Pacific bonds; and we are left with as much doubt as ever as to the effect