

LONDON AND LANCASHIRE FIRE INSURANCE COMPANY, LIMITED.

The splendid progress made by the London and Lancashire Fire Insurance Company is best appreciated when viewed in perspective. Since the San Francisco disaster of 1906 this well-known office has increased its fire premium income by nearly \$2,000,000, while in the same period the reserves have been increased by more than \$5,500,000, notwithstanding the fact that nearly \$5,000,000 were disbursed in meeting losses incurred in the San Francisco conflagration. The results achieved last year were fully up to the records shown in the years immediately preceding. In fact the annual report shows that the period was one of success in every department, the one drawback being the writing-down of the Company's investments by some \$400,000. However, through this necessity the great strength of the Company is remarkably demonstrated, since simultaneously with this writing off the Company is able to make large additions to its reserves and to increase considerably the returns to proprietors.

A SUMMARY OF RESULTS.

The summarised results of the business printed on another page, show effectively the satisfactory character of the enlarged business which has been undertaken. In all three departments of fire insurance, accident insurance and marine insurance, business was such as to give a substantial surplus, in each case larger than the surplus of 1912. Fire premiums reached \$8,567,200, compared with \$8,226,285 in 1912. Losses and expenses amounted to \$7,181,475, leaving a surplus of \$1,385,725. The loss ratio was at the moderate level of 49.4 per cent.

Accident premiums were \$3,410,990, showing the large increase of over \$500,000 upon the business of 1912. Losses and expenses reached \$2,846,720, leaving a surplus of \$570,270. Marine premiums were \$1,091,850, and losses and expenses, \$830,070, so that the balance is \$261,780. Together these three accounts show premiums of \$13,076,040, and losses and expenses of \$10,858,265, leaving a surplus of \$2,217,775. Adding interest on investments, \$568,350, there is the handsome surplus on the year's business of \$2,786,125, an increase of nearly \$350,000 upon that of 1912.

The funds and investments of the Company amounted at December 31 last, to \$17,750,840, an increase over 1912 of about \$1,350,000. Including the uncalled capital, the total security to policyholders is \$29,636,465.

THE COMPANY IN CANADA.

The London and Lancashire Fire is widely and favorably known in the Canadian Field, it having been first established in the Dominion in 1880, and built up an extensive and highly-efficient organisation. Last year the London and Lancashire enjoyed a very favorable experience in its Canadian fire busi-

ness, net cash received for premiums being \$673,804, while net losses incurred were \$316,718, giving the moderate loss ratio of 47.00 per cent. Since 1893, Mr. Alfred Wright has been the Company's manager at its Toronto office, and chief agent in Canada, while Mr. Colin E. Sword, formerly at the Company's Quebec office, now occupies the important position of manager at Montreal.

SIGNIFICANCE OF GOLD EXPORT MOVEMENT.

Canada has now sent back to New York all of the gold imported last November, and there is some speculation as to whether the outgo will continue during the summer. But the general expectation is that in September or October the gold movement will turn definitely in Canada's direction through the working of the Central Gold Reserves. These expectations, a Montreal correspondent points out, are based on the belief that the Canadian banks will require to issue their notes extensively in excess of paid-up capital during the approaching crop season, and that gold will be imported from New York to serve as security for the excess issues. However, there is a possibility that the trade depression in the Dominion may lessen the demand for currency so much as to make it unnecessary for the banks to go much beyond the paid-up capital in issuing their notes. If the need for currency were reduced to the point at which it could be provided for through the use of bank note circulation entirely within the limits of the paid capital of the banks, the banks would not require to lodge any specific security for their notes, and importations for this purpose would not be called for. All the indices still point to falling trade; but it is altogether likely that some of the banking institutions will be compelled to bring in gold in the fall when the wheatfields are absorbing currency.

Some have supposed that the unfavorable state of the foreign exchanges and the outward movement of gold have constituted one of the important factors operating to depress the Canadian stock markets; but in other quarters this theory is not regarded as altogether sound. The outward movement of gold during the past two or three months has been caused by several different things. One of them has been the desire of the banks to increase the total of their call loans in New York. In February and March the total of call loans outside Canada increased roundly \$36,500,000. Most of the increase represented proceeds of new security issues, but some of it represented gold sent from Montreal or Toronto to New York. Gold exports for purposes of increasing the available cash reserves of the banks at international centres should not operate so very importantly to depress the Canadian stock markets.

SIR GERALD RYAN.

Sir Gerald Ryan, general manager Phoenix of England, arrived in Montreal on Monday, and will leave this week for Toronto, where he will spend a few days before proceeding to Chicago.

Sir Gerald (who is accompanied by Lady Ryan) is familiar with Canadian conditions, and is well known on this side of the water.