

INSURANCE.

The chairman of the Clerical, Medical and General Life Assurance Company, speaking at the shareholders' annual meeting last Friday, gave a lucid account of the manner in which an assurance company feeds its reserves. He was speaking of his own office in particular, but the system applies to most British offices.

First of all there is the difference between the rate of interest assumed for valuation purposes and the actual rate earned, which is frequently more than one per cent. higher. Then there is the feeder having its source in the rate of mortality. And, lastly, is what is called the difference in the loading. In the case of the Clerical, Medical and General and taking the whole of the business the loading is 18 per cent. whilst only 13 per cent. is spent.

One of our solid centenarians is the Essex and Suffolk Equitable Fire Office. This is a strictly mutual concern and out of last year's premium income of \$169,000 losses only absorbed 28 per cent. About as much again went in expenses of managing and getting the business so that the profit, apart from interest earnings exceeded 40 per cent. Rarely has the claims ratio, but as high as 40 per cent. and only once or twice have losses taken so much as 60 per cent. of the premiums.

Members can participate in profits, or not, as they like. Non-participants get the benefit of lower premiums—the premium on ordinary dwelling buildings being as low as three-forty-eighths of one per cent. or fifteen pence on the hundred pounds sterling. Participating fire policy-

STOCK EXCHANGE NOTES.

Wednesday, p.m., December 16, 1903.

Prices have reacted to lower figures this week and as is generally usual in this market, the decline has caused the volume of transactions to sharply contract. The amount of business done during this week could have been very easily crowded into one day's operations. The deduction to be drawn is that there is no pressing liquidation around the present market level and the probabilities point to a gradual advance. It is rather evident, however, under the prevailing money accommodation obtainable for Stock Exchange requirements that the amount of business done is likely to be small and the movement in prices limited until more adequate supplies are forthcoming. The opinion is generally expressed that Stock Exchange operations will be assisted by much easier monetary conditions about the middle of January, and in the meantime no very decided move is looked for either up or down. Twin City was the most active stock in this week's market followed in the order named by Detroit Railway, Montreal Power, Montreal Street and C.P.R., although the trading in the latter was under 1,000 shares. Toronto Railway traffic is making a remarkable showing at present and the earnings for some weeks past have shown increases over the corresponding date a year ago of over \$1,000 per day. In face of its earning power the stock is exceedingly cheap. There is talk of an increase in the dividend, and whether this comes about or not the stock should be a good purchase on its merits at the present level. Nova Scotia Steel Common while not active this week has remained remarkably steady, and is one of the few stocks which has held its price level without a decline. There does not appear to be a great deal of this stock on the "Street" at present and the greater portion of it is strongly held by people who are not likely to be tempted to sell at anything very near the present quotation. The progress of the Nova Scotia Steel & Coal Company in its coal department this year is remarkable. In October there

was an increase over the corresponding month of last year in the output of 17,000 tons and their shipments for the ten months ending 31st October were 378,177 tons as compared with 212,742 tons for the corresponding period a year ago. This we believe puts the Nova Scotia Steel & Coal Company in the second place among the coal producing companies of Nova Scotia, the Dominion Coal Company of course being first.

Call money is somewhat tighter this week, although no particular pressure has taken place, and rates continue unchanged at $5\frac{1}{2}$ per cent. In New York the call rate to-day was 5 to $5\frac{1}{2}$ per cent. while in London the rate was quoted as 3 to $3\frac{1}{4}$.

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

	Market.	Bank.
Paris.....	$21\frac{1}{8}$	3
Berlin.....	$3\frac{1}{2}$	4
Amsterdam.....	$3\frac{1}{4}$	$3\frac{1}{4}$
Vienna.....	$3\frac{1}{4}$	$3\frac{1}{4}$
Brussels.....	$3\frac{1}{4}$	4

C. P. R. sales this week totalled 947 shares and the closing bid was $118\frac{1}{2}$, a net loss of $\frac{1}{2}$ point for the week. There were only 100 shares traded in to-day, the sales being made in the morning at 119. The earnings for the first week of December show an increase of \$69,900.

The Grand Trunk Railway Company's earnings for the first week of December show an increase of \$48,120. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day.
First Preference.....	111 $\frac{1}{4}$	111 $\frac{1}{4}$
Second Preference.....	97 $\frac{1}{4}$	97 $\frac{1}{4}$
Third Preference.....	46 $\frac{1}{4}$	45 $\frac{1}{4}$

Montreal Street has reacted in price and the last sales were made at 210 and 210 was bid at the close, a decline of 4 points for the week on total sales of 1,012 shares. Only 8 shares of the New Stock were traded in this week and the closing quotation was 200 bid with 210 asked. The earnings for the week ending 12th inst. show an increase of \$2,645.39 as follows:—

		Increase.
Sunday.....	\$4,590.42	\$ 866.09
Monday.....	6,325.33	750.18
Tuesday.....	6,071.80	543.50
Wednesday.....	5,952.94	1,193.75
Thursday.....	4,128.60	*1,600.41
Friday.....	5,895.67	348.61
Saturday.....	6,614.64	543.67

*Decrease.

Toronto Railway is now selling ex-dividend of $1\frac{1}{4}$ per cent., the dividend being payable on 2nd January next. The closing quotation to-day was 99 $\frac{1}{2}$ X. D., equivalent to a loss of $\frac{1}{4}$ of a point for the week on sales amounting to 496 shares. The earnings for the week ending 12th inst. show an increase of \$8,771.03 as follows:—

		Increase.
Sunday.....	\$3,102.95	\$ 659.63
Monday.....	6,567.01	971.16
Tuesday.....	6,542.23	1,166.90
Wednesday.....	6,660.16	1,188.45
Thursday.....	6,818.49	1,334.50
Friday.....	6,853.35	1,359.24
Saturday.....	7,610.27	2,091.15

Twin City reacted to 91 $\frac{1}{4}$, but recovered and the last sales to-day were made at 92 $\frac{1}{4}$, the closing bid being 92, a net loss of 2 full points for the week on sales involving 2,765 shares. The earnings for the first week of December show an increase of \$8,172.65.