

The Mutual Life, of Canada, is one of our progressive Canadian Offices, and its affairs are conducted on a conservative basis.

DR. GORDON W. RUSSELL, medical director of the Aetna Life, at Hartford, Conn., since its organization, completed his ninetieth birthday on the 10th inst. Dr. Russell is stated to be the oldest man engaged in business in Hartford.

MR. UBERTO C. CROSBY has been appointed manager for the United States, of the Royal Exchange Assurance Company. The appointment is well spoken of in insurance circles. Mr. Crosby commenced his insurance career with the Bay State of Worcester, which retired after the Boston conflagration, 1872. He then joined the staff of the Commercial Union, afterwards was a special agent of the Phenix, of Brooklyn, and in 1899 became secretary of the New Hampshire, of which he is president.

MR. JAMES E. KAVANAGH, superintendent of agencies of the Metropolitan Life Insurance Co. of New York, was in Montreal during the past week. Mr. Kavanagh reports the business of his company is progressing in a most satisfactory manner. It must be quite an undertaking to keep track of the immense agency staff employed. The Metropolitan Life ranks amongst the most progressive Life Companies, and its operations are very extensive. It has live, up-to-date officials, which, after all, is the best means of ensuring success.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

LONDON LETTER.

FINANCE.

London, Eng., March 30, 1905.

The issue of new capital here by the Canada Northern Railway, was a fiasco, the underwriters being landed with about fifty per cent. of their guarantee. Warned by this failure, the following issue of 3 per cent. first mortgage sterling bonds of the Grand Trunk Pacific Railway (the total issue being \$17,000,000), was advertised in a most open-handed fashion. With the issue price at 95, the terms were identical with those at which the Canadian Northern was made. These things, however, did not prevent it being a success.

As I have before said Trunks are a regular favourite speculation. The very office boys in the purlins of Throgmorton Street buy their "Half a Trunk," a nominal \$2,500 worth of stock, and run it for a quarter profit. At the present time the price for the equivalent of \$500 of the stock is \$110, and fluctuates between five and ten dollars each way in small fractions at a time.

Since the big rise in Canadian Pacifics set in, however, a great deal of attention has been diverted to the latter line, and to Hudson's Bays.

The new Siamese and Japanese loans have also been complete and sensational successes. The new Siam issue was offered half here and a half in Paris, whilst Japan's issue was still more widely distributed. Some of the success of the latter loan can be attributed to the evening papers in London. These excellent organs are nothing if

not sensational. When there is not a "orrible murder," they promote their circulation with contents, bills, announcing "Scenes in the City; wild rush for the new Japanese loan; policemen trodden under foot"—or words to that effect. People who had never thought about the loan are thereby induced to apply, and their applications are not, therefore, so marked with good sense and discrimination as is advisable.

A spell of easy money and steady discount rates would do a world of good to the markets at the present time when everything is sagging somewhat. Such a spell is very likely, and the operators in the money market have done their best to bring it about. An issue of Treasury Bills has just been placed at a discount of a shade over 2 on the average, whereas, the previous issue of this was done at under 2 per cent. Three months' bank bills have been screwed up to 2 1-4 per cent.

These efforts have been assisted by a slackening in the foreign demand for bills, the hardening of money rates in New York, along with an adverse movement in the American Exchange, and also by a sharp decline in the Paris cheque. Requirements of Russian finance are probably at the root of the last named decline, especially if it is true that after all France will help Russia to another loan.

It is clear that a great many American railway shares are now again being held across here; this is a reversal of the operation of a year or so ago, when this market was practically denuded of "Yankees."

INSURANCE.

One of the most attractive things now being sold here in the way of life assurance policies, comes from a big insurance brokerage firm. There is no medical examination, and premiums are payable monthly. At age 30 next birthday, \$1.25 per month secures \$650, payable at death; \$535 at age 65, or \$395 at age 55. An accident policy is also issued for 75 cents a month, insuring \$1,250 at death by accident, and various weekly compensations.

This is certainly a time of change in most branches of the insurance business. The progress of amalgamation so far from rendering competition any less seems to be perpetually renewing and invigorating it. Much of this competition makes for the benefit of the insured, it is true, but it is also very evident that his immediate benefit is not necessarily always his ultimate good.

For example, the rivalry between the accident insurance companies is all very well whilst it is confined to reducing the premiums, but when their reduced premiums result in a weakened financial position, the insured finds eventually that cheapness is not always the best policy. Already, some of this year's accident account begin to wear a sickly appearance, although the chairman at the various annual meetings stoutly declares against anything like rate-cutting.

Any attempt at raising premiums, however, produces an instant outcry. For example, when it was found that motor insurances were resulting in heavy losses on average, and that rates must be advanced, there was a burst of indignation from automobilists. Nothing would satisfy some of them but the immediate institution of a material motor insurance company, on the lines of the familiar yacht clubs. But all these things go the way of the other mutual propositions—especially of those whereby owners of excessive fire properties propose to share each other's excessive losses.