

controversy which is being carried on between the farmers and the transportation claim agents as to how a live, scrub, cross-breed runt can make a registered Poland-China hog corpse at the sudden instigation of some "limited." 3. Subrogation is one of the earliest achievements of the human race. It appeared in a well-developed case in the Garden of Eden, where the serpent was subrogated to a portion of the punishment for fruit stealing. [64 C. R., Appellate Division, Spring Term, Paradise. Vol. I. (page number torn off).]

"If by subrogation we could pay all claims,

A gentle horse laugh would we give the flames.

Then not the how much, but the whom—

"Twould be a game of naming names."

—From "Insurance Khayams., v. 7.

Correspondence.

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

NEW YORK STOCK LETTER.

Office of Cummings & Co., 20 Broad Street, New York City.
New York, June 10, 1903.

How quickly conditions and sentiments change in and around Wall Street is well exemplified by the developments of the past week. At the time of closing our letter last week the market had every appearance of having changed for the better, and appeared to be gaining strength; but, like many another patient, the improvement was illusory, and the next morning weakness developed again, and new low records were made. Friday and Saturday were comparatively quiet until the Bank statement came out, when under the assertion that its figures were disappointing, the selling was renewed, and has continued with more or less violence ever since. New low records having been made to-day, where it will end no one can even guess. It is, of course, impossible to tell how much of the hundreds of thousands of shares traded in every day are legitimate transactions, and naturally for every sale there must be a buyer, but the indications are that the liquidation has been urgent, and every bid for stocks has been promptly supplied, but the absorption has not, by any means, been sufficient to turn the tide, and until this point is reached, and either the general public or the large monied interests come into the market, the demoralization is sure to go on. It is immaterial what the causes are that have led up to the present condition of the financial markets; the pertinent question is what of the future? It has always been held that Wall Street is the barometer of the country, and if this is so of the future as it has been of the past, the outlook most certainly is not encouraging, for, if the same measure of shrinkage is to come to the industrial world that has come to the financial world, there are hard times ahead. Labour troubles, heretofore have generally preceded commercial depression, whether it will be so now, is one of the things which time alone can tell. One thing, however, is certain that those who prepare for storms are the best able to weather them. The cotton speculation still continues, and is one of the unsettling factors of the present time; how much further it will go no one can tell, nor what the coming crop of that staple is likely to be, for, while present conditions may not be as promising as some would like to see, there is still time for a material improvement, which

might put those who have sold it short on poor crop prospects, in a very uncomfortable position.

The reports from the Mississippi and Missouri River valleys are to the effect that great damage has been done and many lives lost, but later advices are that the crest of the flood has passed, and that the waters will soon subside. In looking over a flooded country, it looks as if it were a scene of irretrievable ruin, but a little sunshine will soon produce an improvement, and actual losses will not be nearly as great as at first supposed; further than this it has been claimed that in so-called flood years there has never been a crop failure in the flooded district, and that the profits from the crops have gone a long way towards offsetting the damage of the flood.

During the week some \$500,000 of gold has been taken for export to Europe, but with the past few days, exchange has weakened considerably, and it is not likely that much if any more will go out for some time to come. Especially as our securities are now down to such a level that they are becoming very attractive to foreign capital, and should our rates for money advance from what they are now, it would be an additional incentive for foreigners to make loans here, and still further lessen the chances of more gold going out. Earnings, as reported by the various roads, continue to show very favourably, notwithstanding that some of them have had strikes to contend with. In the case of the Union Pacific, for the ten months there was a substantial increase in the net earnings, which amounted to more than \$18,000,000, and for the month of April there was an increase in the gross earnings of nearly \$500,000, and in the net, of \$228,854. One important factor not to be lost sight of is the July disbursements, which should and probably will be considerably more than they were last year. These payments should go a long way towards assuring the public of the intrinsic value of the railroad properties, notwithstanding the low quotations for the securities. The market has been under pressure all day, and closes at the lowest of the day.

LONDON LETTER.

FINANCE.

May 27, 1903.

After languishing for a long time in an atmosphere of neglect, the market for Home Railway Securities seems like reviving, owing to the prospect of better dividends. Already the present half-year is nineteen weeks old, and gross earnings show an expansion which, if moderate, is none the less real. The last seven weeks of the half-year are expected to show a greater comparative gain, and hence the more hopeful outlook.

Students of municipal finance are just now greatly disturbed over the case of the Plymouth Corporation. There the need for a financial expert on the council (a man like Lord Welby is on the London County Council) has made itself apparent in a very glaring fashion. The particular occasion has been the investigation of the Plymouth Corporation Bill by a House of Commons Committee. Through this Bill the Corporation sought powers to construct tramways, and also to extend its borrowing rights. Further, it wanted an extension of the periods fixed either by Parliament of the Local Government Board, for the repayment of loans already contracted under general or private statutes.

As I have indicated what was revealed by the investigation in Committee was sufficiently startling. Large sums had been raised for unauthorized capital expenditure by overdrafts on the Corporation's bankers; while monies raised under sanction for definite purposes had not in