

\$106,000,000, while the Eastern States report a decrease of \$71,000,000. Supplementing this statement comes the report from Kansas that the railroads cannot furnish sufficient cars in which to haul away the grain, and that great stocks of it are piled alongside of the track in many places.

Reports from Iowa are of a similar nature, while the reports from the railroads from all sections show that freight is moving freely and in great variety. It must be borne in mind that the conditions of these Western States is very different now from what it was some years ago; then the whole West was practically plastered over with mortgages; but, now most if not all of these have been paid off, and the people have abundant funds, not only for luxuries but for investment, and, consequently, a money stringency does not effect them now as it did then, and a wave of financial trouble is quite likely to become of less intensity as it travels West, as the power to recuperate from a speculative debauch, such as we have witnessed during the past two years, is very great. Makers of securities, however, have, to a considerable extent, discounted this condition of affairs in the West and South, and somewhat strained the absorptive powers of the country, but the market shows to-day that the process of absorption is going on steadily if quietly, and will, within a reasonable time, improve the general condition of affairs, and should produce a considerable rise in the market. At the present time, it is simply a traders' market with now and then a raid by the bears, but these attacks fail to dislodge stocks as they did during the summer, and apparently the market goes up much easier than it goes down.

One of the curious facts recently developed is that notwithstanding the decline of the Steel Stock, the Preferred, from 97 $\frac{3}{4}$ to 49 $\frac{1}{2}$, and the Common from 46 $\frac{1}{2}$ to 10, the transfer books show that since the last dividend was paid the number of shareholders of the Common Stock has increased 2,240, or from 34,997 to 37,237, and this, notwithstanding the fact that the dividend has been cut in half.

The preliminary report of the Missouri-Pacific makes a very handsome showing, and shows gross earnings of \$43,000,000, an increase of about \$3,500,000; operating expenses were \$29,125,000, an increase of about \$4,000,000, while net earnings were \$14,000,000, an increase of about \$1,500,000, making an estimated surplus of some \$7,200,000. Certainly, with such a showing as this, Missouri-Pacific at 94 is not high.

Cotton continue its remarkable advance, the 13 cent mark has been reached and passed, and how much further it will go no one can tell. Considering that this year's crop is said to be a short one, it is somewhat remarkable that the records show that the total movement this year so far, has been 6,146,284 bales, against 6,044,949 last year, and exports have been 3,357,877, against 3,056,868 of last year.

The market has been intensely dull all day, and closes without feature.

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LONDON LETTER,

FINANCE.

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Although many stocks and shares continue to show substantial advances, the lethargy which generally (but not invariably, as witness last Xmas), comes over the markets about the second half of December, seems to be stealing slowly in. Much of what activity there has been has partaken of a professional character, no important section of the public having been tempted in. Political conditions are shaping more favourably; England's influences

with Japan, and France's with Russia are making for peace in the Far East, whilst the nearer eastern question has receded considerably into the background.

Amongst the leading adverse factors, however, are found the fall in the American Exchange on London, with the consequent drain of gold from here and the declines shown in the Trade Returns.

The market where the pace is hottest just now (and for the last month as a matter of fact, has been that devoted to Argentine Railways. This is largely owing to the demand from investors and speculators from Buenos Ayres. In much the same way a rise has set in in Hudson's Bays, on purchasing from Canada, the \$55 having risen to \$195, a gain of \$22 on the fortnight. It is not thought extravagant to suggest that these shares will touch \$250 in the next six months. A reference to the last balance sheet shows that the assets after the return of the \$5 per share promised for next July, and apart from the great landed estates, nearly equal the total liabilities of the company, so that something like six or seven millions of acres remain as surplus assets.

One of the few Klondyke gold companies, which survived the fatal frost, which came upon that particular market a few years ago, is the Anglo-Klondyke Mining Company. Its report just issued announces a dividend of 10 per cent. on the ordinary shares, leaving an available cash balance of \$78,000, and declares that the past season in the Klondyke was a phenomenally dry one.

Rumours continue to make their way round about alleged impending consolidations in certain departments of British industry. Sir Christopher Furness is, however, the authority for the statement that two great enterprises are really about to make a match, namely, the South Durham Steel and Iron Company and the Cargo Fleet Company. This combine will have the command of practically unlimited raw material, and with the rearrangement which the amalgamation will render possible, there will be no other steel works in the country able to turn out finished product at so low a cost. Competition from Germany or America will not be feared, says Sir Christopher.

Several Canadian investments are at present before British people, with floating resources. The Canadian Transit Company, incorporated in the Dominion, offers here 165,000 \$5 shares and \$675,000 in five per cent. gold bonds. The money is wanted to buy a fleet to carry grain between the Great Lakes and Montreal, and the New Canadian Company guarantees a per cent. on the shares, whilst the fleet is building. The general view here is, that the enterprise is too speculative for our investors, although the promoters estimate a clear profit of 10 per cent. after providing for depreciation, and a carry-forward of \$50,000 when the fleet is in being.

INSURANCE.

It is no easy matter to organize a new life assurance company nowadays, and some of the attempts do not exactly merit success. However, as one of our youngest entrants, the United Provident Assurance Company has piled up a premium income of \$100,000 by the end of its third year of life, presumably, it is not one of the wastrels. It is remarkable, though how much greater in the speed a new industrial office can get up nowadays, compared with what was the experience in the early days of the Prudential and the other banner bearers. The headquarters of the United Provident are being removed from London to Manchester.

Manchester, with the bunch of big factory towns which fill up the country all round it, is now held to be the very best district in the whole kingdom for industrial life in-