

chance of snapping up some of the surplus application funds over from the new Consols issue. Everything and everybody are on the tenterhooks of expectation about peace. No news is alternately taken to be good or bad news, and lively gusts of buying or selling take place. But public dealing on any extent worth mentioning waits for the actual termination of the South African war.

INSURANCE.

Despite a good deal of complaint about the hardness of the times, the fire insurance offices appear to get on very well in the majority of cases. On the whole, I know that for young and ambitious concerns, 1901 like many recent years, was not a favourable period. There does not seem to have been enough non-hazardous home business to go round in altogether satisfying quantities.

This has led, as is well known and was to be expected, to catering for foreign and American risks, where plenty of substantial premiums were to be gathered in. The little, but important fact that in the end these premiums have turned out not to be substantial enough, was an after-experience and one which has led to a lot of heart-burning at various headquarters.

It is curious that amongst some of the offices which, to all appearances, have weathered the times successfully, there is often a lot to be learned by closer inspection. To take only one case, that of the Scottish Alliance. Here, although an 8 1-2 per cent. dividend has been paid with no diminution of financial strength, the year showed no live underwriting profit. In many other offices the experience has been the same, and "American business" may be looked to for the reason.

Some of our fire companies, however, enjoy quite enviable prosperity. Take the Commercial Union for example. Out of its total fire premiums only 59 1-2 per cent. went in claims. This accompanies a very large increase in fire premiums, a feature of expansion which is more frequently than not a sign that an office is not being so particular and, may, therefore, look for a higher rate of loss.

The Gresham Life Assurance Company is making especial efforts to increase its already excellent Continental connection. Larger offices have been taken in Brussels and other leading centres.

NEW YORK STOCK LETTER.

Offices of Cummings & Co., 20 Broad street, New York City.

New York, May 14, 1902.

Interest during the past week has centered principally on money and the strike of the coal miners. Early in the week, rates for money went as high as 20 per cent., owing to a variety of causes, the financing of some large transactions having considerable to do with the matter. Holders of good collateral, however, had no difficulty in getting funds. The rise in the rate for money brought an influx of funds from interior points, and led to a decided lowering in the rate of Exchange which helped the market to a certain extent. Had it not been for this, it is probable that the rates would have gone considerably higher, for the New York banks are down very close to the legal limit of reserve, some of them indeed, being slightly below it. These deficiencies must be made up and the reserve strengthened before the New York institutions can expand their loans to any great extent, and it is not likely that this can be done for ten days or two weeks yet, especially in view of the great activity in general business throughout the country, the re-

quirements for which will not permit funds to flow towards this centre.

The smash of ten days ago has made some of the large operators indisposed to deal largely, and the advent of the summer season has caused a number of them to close their accounts in preparation for the usual vacations, more particularly as the question of crops is of necessity as yet an undetermined one, consequently, except in special instances, and with possibly some sudden spurts, the market is likely to be a quiet one, but its fundamental strength will warrant purchases and declines, so that in a quiet way it may be a very good trading market, though, within narrow limits.

Last Saturday it was announced that the coal miners would stop work on Monday, and that a meeting of delegates from the various unions would be held on Wednesday, the 14th, to determine whether the strike should be made permanent or not. The efficiency of a strike is largely in its suddenness and in the unprepared condition in which it finds the employers, but when they have had some time in which to prepare themselves, the movement loses much of its force. In the present instance, the operators have had some thirty days in which to arrange their matters, the dull season is coming on and they are now in a position where the cessation of work would cause a minimum of trouble and loss. That the men realize this and that this is an inopportune time for such a movement is evidenced by the fact that there is a very decided sentiment against any strike. The Convention was called together this morning, and after an address by Mr. Mitchell, adjourned till 1.30 p.m., but up to this time nothing further has been heard from it. The March statement of the Southern Pacific indicates the policy of improvement now being pursued. The operating expenses show an increase of some \$463,884, and it is quite likely that all of the available income for some time to come will be expended upon the road. The territory through which this road runs is developing rapidly, and the expenditures now being made upon this property should, and it is believed will, put it in an excellent shape to handle the largely increased business which will come to it. How long it will require to make all the improvements contemplated is impossible at present to say, but when they are completed and the large expenditures have ceased, the income which has been diverted to that purpose, will become available for dividends, and we should not be at all surprised to find at the close of the year that this property had entered the ranks of the permanent dividend payers. Naturally, great interest is being taken in the crop reports issued from time to time. That issued by the Government within the past day or two was not generally considered as favourable as had been expected. Since it was given out, however, copious rains have fallen in some of the districts where it was most needed, and the condition is thereby considerably improved. Two of the strongest stocks during the past few days have been Union Pacific and Erie. London having been a persistent buyer of both stocks. It is said that the former is to be put upon a regular 5 per cent. dividend basis and that this in part accounts for the foreign demand. As to the latter, the action of the stock gives evidence that some strong interest is taking it on all recessions.

The election of Mr. Hawley to the directorate of the Colorado Southern, bears out the statement made some time since of his acquirement of a considerable interest in this property. If his influence is sufficient and we believe that it will be, to put this property upon as sound a basis as that or some other properties in which he is interested, security holders may look for a material advance in the value of their holdings.

Late in the afternoon, the rate for money fell to 4 1-2 per cent., and the market closed strong but inactive.