

Correspondence.

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LONDON LETTER.

FINANCE.

London, England, Nov. 4, 1905.

Some time ago I gave a comparative table showing the relative views taken by the London Stock Exchange of the credit of the principal colonies of the British Empire. Similar particulars at the present date are possibly not without interest. Included in the table is a British Government guarantee loan (the Transvaal 3 per cent.), whose security is the same as that of consols, whilst the reader will also be able to compare the market values of some representative foreign stocks.

	Present price.	Highest and lowest since beginning of 1895.	
		Highest.	Lowest
Transvaal 3 p.c. guaranteed....	98½	101½	94½
Canadian 3 p.c. (1938).....	99	108½	94½
Cape 3 p.c. (1933-43).....	85	101½	83½
Natal 3 p.c. (1929-49).....	88	99½	87
N. S. W. 3 p.c. (1935).....	85	104	83½
New Zealand 3 p.c. (1945).....	85½	103½	86½
Argentine 6 p.c. Funding.....	101	106½	66
Japanese 6 p.c. First series.....	102	106½	92½
French 3 p.c. Rente.....	99	105	94
Egyptian 4 c. Unified.....	104	110½	99½

The pre-eminent position of Canada's credit is thus seen to be assured. The credit of Canada works out equal to that of a first-class power like France, and well ahead of Germany, whose three per cents. have a marked value of only 87½. Portuguese Threes are sold for 69½; Hungarian, Spanish, Russian and Turkish Fours for respectively 96½, 92, 91½, and 90; and Italian and Chinese (gold) Fives at 105 and 103.

INSURANCE.

Some further information about proposed amalgamation should not be long in forthcoming. The Alliance Assurance company intends to increase its capital from \$26,250,000 to \$27,350,000. Along with this, the same extraordinary general meeting which met Wednesday is to make the new issue of shares and will also confer new and extended powers upon the company.

The new powers in part will enable the company to fall into line with the modern offices in matters, like undertaking the office of executor of wills and settlements if the company wishes to so act. The number of directors is to be increased in order that the board shall include some of the gentlemen who at present direct the work of four other insurance companies. The new shares are of course to provide the consideration for taking the other companies. As to which are, all the four companies there is some doubt. One of them is of course admittedly the Westminster Fire Office, whose practical absorption I recorded back in the summer. On good authority a record one is the Alliance Marine & General. In these cases the negotiations are concluded.

The names of the remaining two are not known, but in formation which I possess leads me to assume that they are the County Fire and the Provident Life.

These two companies have been running practically

united, one doing life business, and the other fire. Both share the same headquarters and branches, and the same managing director. The Provident Life was established in 1806 and the County Fire in 1807. The combined paid-up capitals aggregate \$1,397,800. That substantial benefit will accrue to the Alliance is not doubted.

STOCK EXCHANGE NOTES.

Wednesday p.m., November 15, 1905.

The monetary situation still controls the stock market, and during the early part of this week prices suffered from the high rates prevailing in New York. Under this pressure prices naturally reacted to a lower level, but the improved money conditions during the last day or so have been followed by a decided recovery, and prices show a tendency to advance. It cannot be expected that the demands on the money market will be so lessened immediately as to permit of low rates, but it is thought the worst has been seen, and although rates may continue moderately high for the balance of this month, there will be a gradual relaxation in the stringency. The general outlook indicates prosperity, and the phenomenal activity in the steel trade points to the continuance of favourable trade conditions. Despite the pressure on steel plants, prices have not been advanced by the iron masters, but for immediate or prompt delivery a bonus on the price has been demanded, which is readily paid in order to hasten delivery by those whose contracts demand prompt supplies.

Detroit Railway, Montreal Power, Toledo Railway and Mackay Common still seem attractive purchases, and Montreal Power in particular at its present level of about 90 should be a conservative and satisfactory stock to invest in for a profitable hold. The outlook for a good advance in this stock is encouraging, and the prospect of any material decline seems remote. Those interested in the Montreal Stock Market have reason to be pleased at the comparatively few declines in prices during the semi-panics in the New York Market.

The ruling rate for call money in Montreal continues at 5½ per cent., but one or two banks have advanced their rate to 6 per cent. In New York to-day the ruling rate for call money was 10 per cent., the highest rate of the day being 11 per cent. The highest price touched for call money in New York this week was 25 per cent. The quotation in London for call loans to-day was 4 per cent.

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

	Market.	Bank.
Paris.....	2½	3
Berlin.....	4½	5½
Amsterdam.....	2½	3
Brussels.....	3½	4
Vienna.....	4½	4½

C. P. R. in sympathy with the rest of the market was offered several points lower during the early part of the week, but the volume of trading was slight, the total business of the week involving only 280 shares of this stock, which has recovered from the lowest and closed with 171½ bid, a net decline of ¾ of a point from last week's quotation. The earnings for the first week of November show an increase of \$180,000.

The Grand Trunk Railway Company's earnings for the first week of November show an increase of \$75,830. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day
First Preference.....	111½	112
Second Preference.....	101½	102½
Third Preference.....	57½	57½