

Reports from the Postal Department give a pretty fair idea as to the condition of general business throughout the country, and especially at the large centres. The report from the New York office is that the first ten days of this month show an increase of 13 per cent. over October of last year, and it is claimed that this month will show the largest volume of business for any month of 1903 so far, and each previous month has shown a gain over past records, while reports from all offices throughout the country show surprising gains in the business handled.

Among the many good statements of railroads coming to hand is that of the Louisville & Nashville, just given out. This shows that the gross earnings for the year were \$35,449,378, an increase of \$4,737,123 over 1902. The operating expenses were \$23,970,813, an increase of \$3,068,375; so that the net earnings were \$11,478,565, an increase of \$1,668,746, which, with other income, and after deducting charges and dividends, left a surplus of \$3,211,148, being an increase of \$1,360,741. Figured out, this shows that this company earned 10.35 per cent. against 7.87 per cent. of last year. In other words the Company earned more than twice as much as it is now paying in dividends. Further than this, the outlook for business the coming year is that it will not be any less, and is quite likely to be a good deal more. As to whether this stock is one of the bargains now on the counter, is a question for each one to determine for himself, but a brief glance at the past may throw some light on the subject. In December of 1901, the stock was selling about 102 to 106. During the excitement incident to the purchase of this property by one of the noted plungers of the day, the price went up to 140. Since then, with the rest of the market the price has gone down until now it is selling at 96½. In the meantime the property has been greatly improved and is facing a fairly average cotton crop, to say the least, which must be moved, and it is exceedingly difficult for us to comprehend why the stock should be worth less than it was in December of 1901, especially as it had just then managed to raise its dividend rate to 5 per cent.

According to advices from Washington the argument in the Northern Securities case will begin before the U.S. Supreme Court on December 14. It is not possible to predict the length of time which the argument will take, and it is equally difficult to set a date when a decision might be handed down. Interested parties hope, however, that the result will be known early in February.

The feature of the day has been the very heavy trading in Amalgamated Copper; opening at 36½, it has been down to 33½. The adverse factors in the market were the disturbing rumours from Montreal and Toronto, that considerable liquidation was in progress in both cities.

Reading has shown good strength on the good statement recently issued and the fair prospect of a dividend being declared upon the Second Preferred Stock. If such a dividend is not declared it will not be because it has not been earned.

The market, at closing is somewhat off from the best prices of the day.

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LONDON LETTER.

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FINANCE.

Has the bottom of the slump in high-class securities been reached? We certainly hope so. Last Tuesday morning Consols temporarily dropped to 86½, and something very near a panic resulted. Wise people, however, seized upon this as an opportunity to make a good investment, and ever

since from all parts of the country brokers have been receiving orders to buy small amounts of from \$500 to \$2,500 Consols. The price has recovered over a point, all other gilt edge securities rising sympathetically. If the drop had gone instead a point or two lower, British Consols would have yielded 3 per cent. besides the certainty of a rise in market value next year. It is possible that the recovery has been helped by the sensational rumours that the Government had a concession scheme in view, by which Consols were to be once more made a 3 per cent. stock. Although the story has been widely discussed and commented upon, it is generally held that there are no reasonable grounds for it. The advance is, however, undeniable, and certainly most welcome. The low figure reached on Tuesday has not been equalled since the year of the great Overend-Gurney smash.

Company promoters are still exceedingly chary of appealing to the public for capital, and a prospectus is a rare sort of bird now-a-days. Three-quarters of the year have now passed by with the ending of September, and it is possible to give some startling comparisons. In the first nine months, both of 1901 and 1902, the total amount of capital for which the public was appealed to, was slightly over \$765,000,000; in the first nine months of 1903 it fell to \$545,000. Quite probably the public is all the richer by the absence of many wild-cat propositions, but all the same, the halt in enterprise with all that it means for trade and industry generally, is very marked.

Another of the curious contrasts afforded at the present time is in connection with the Transvaal development loan. In May there were scenes of intense excitement outside the Bank of England, when great crowds struggled to get an allotment of the stock, and a premium was cheerfully paid. Now the quotation has worked down to 2½ discount.

Some of the side issues of finance just now supply some of the fun which is so sadly wanting in the general aspect of things. This week, the shareholders in the Lyceum Theatre, Limited, have decided that their property shall be rebuilt as a theatre of varieties. It is difficult to imagine the place where Sir Henry Irving and Miss Ellen Terry played Shakespeare and Sardou, being given over to American soubrettes, fancy coons, Irish knockabouts, skirt dancers, acrobats, illusionists, eccentric comedians, topical vocalists, dog trainers and trick cyclists; but is now well known that "music halls" pay all the year round and anywhere, whilst the "legitimate" is a risky speculator.

The new issue of guaranteed Grand Trunk capital has been accepted here as an excellent investment, but it is held in many quarters that the old stock at par is better value than the new at 97½. The new stock merging into the old with the beginning of the new year does not benefit from the results of the current year which is now nine months old. It is held that the equivalent of the new stock is really 97.

INSURANCE.

A Royal Commission has sat on the question of Civil Service superannuation schemes, and in its report I find some very interesting particulars relative to the provision Civil Servants make for the future in the matter of insurance. As the details are arrived at from the information available at the Inland Revenue office respecting claims for the deduction of income tax for insurance premiums, they, therefore, only concern salaries above \$800. Even with that limitation, however, a high level of prudence is shown to exist amongst these Government employees.

There are 11,827 Civil Servants whose incomes are from \$800 to \$2,000 per annum. Of them, 74 per cent. are as-