

ing of the hoodlum element, ready to take advantage for purposes of plunder or mischief, would soon appear. I hear that already, in anticipation of possible trouble, the granting of leave of absence, usual at this season, to members of the police force has been held in abeyance for the present. It is an anxious time, no doubt, for the city authorities.

I expect when next the City Insurance comes up for renewal there will be a movement in the direction of increasing the rates. It is evident that there is no chance of profit for the companies carrying these risks at the present rate per cent., which is, I believe, 2.25. As a lively time was experienced by the Secretary of the Toronto Board the last time the City Council and he adjusted the rate, history in this instance will be likely to repeat itself, and much warm opposition to any advance will be encountered. So far all the premiums have been eaten-up by the losses, with seven months more time to run-off before expiry of policies. Term after term passes and the companies emerge from each period with a loss, so it will only be reasonable to expect an increase in the consideration. Indications and experience point to an average rate of 4 per cent. for the three year term being none too high.

Regarding the recent loss at the Pavilion, it is said that gasoline was used for cooking purposes the night of the fire which cost the companies about \$21,000 in losses. As the fire happened just after the banquet, there may be, and likely is, some connection between the occasion and the event. Underwriters of city properties must bear in mind when estimating the hazard they undertake, that they have little, hardly any, control over the city authorities regarding the occupation of the buildings insured, because these may be leased for occasional occupancies quite at the will of the civic official, who do not consider it necessary to consult the insurance people when they let some building for a day or two or a night or two for meetings and entertainments, generally for large gatherings of the people. It would be desirable, when reconsideration of these matters comes round at end of current year, to make it a condition that all city properties without any exception be instantly brought into the general schedule. As things are, the City Hall Building is a notable instance where a few favoured companies are sharing amongst them all the large insurance on this excellent risk. In order to have a fair average everything the city insures against fire should go into the one schedule.

I hear that Mr. Alfred Smith, our old friend, has received appointment as city agent of the Home Fire of New York, under Messrs. Wood and Kirkpatrick, general agents. Mr. Smith is agent for the Alliance, Messrs. McMurrich & Son being also agents for that company. These changes are incidental to the recent conjunction of Imperial and Alliance interests. Mr. Smith for many years was the sole representative of the Imperial in Toronto. This gentleman will always be remembered as a favourite and valued contributor to the social entertainments of the Toronto Board and C.F.U.A. in those bygone days when these bodies were younger and jollier and more inclined to throw business cares on occasion to the winds of heaven. I suppose as we grow older we grow wiser and more sedate, but I recall with pleasure many happy occasions under the auspices of both Boards, when at splendid gatherings a spirit of fraternization and good fellowship prevailed over all business differences and disagreements. Associated with all such festivities Mr. Smith's personality and good comradeship is very prominent in these reminiscences.

ARIEL.

LONDON LETTER.

June 4, 1902.

FINANCE.

Readers of the CHRONICLE will have known ere this that hostilities have ceased in South Africa and the surrender of the Boer forces is becoming an accomplished fact. They may also know that whilst the populace in general rejoiced exceedingly, and took entire control of the leading metropolitan thoroughfares for a couple of nights' enthusiastic and spontaneous carnival, there was no sudden boom in prices on 'Change. Stockbrokers and jobbers were amongst the most lively of the demonstrators, but stocks and shares suffered under an unexpected plethora of sellers. At the time of writing the reactionary balance has not been disturbed, and in South African mining scrip relapses are more in evidence than advances.

This condition of affairs is expected to continue until the hosts of small speculators, who laid in stock before the declaration of peace, have been shaken out. Then the big Kaffir houses are going to have things their own way for a while.

Changing the subject, I might make some passing reference to the cloud of lottery circulars which are descending upon investors here. So great has been the deluge that some of the Continental "brokers" and "bankers" are altering the bait a little. For example, "Cunliffe, Russell & Co." of Paris, are sending broadcast circulars offering not "lottery-tickets" but "premium bonds" for drawing. The difference is very largely the difference between tweedledum and tweedledee. As another example of their ingenuousness take the following:—Amongst their premium bonds is Panama Canal scrip. Whilst the market price of Panamas is \$21.50, Cunliffe Russell's price is \$40. Again the market price of Congo bonds is \$17.50 whilst the circularisers charge \$27.50. And further, only portions of the amounts drawn are paid. It is not good enough.

Canadian Pacifics have again been the playthings of some very interesting market movements. A good many people across here got hold of scrip recently at 130 and some as low as 126½, with the result that when they saw the shares touch 143½ last week they were able to realize substantial profits. Upon this profit-taking prices have recoiled somewhat. Buying by a leading arbitrage firm, however, is counteracting this, and opinion is very sanguine in Throgmorton Street and amongst the outside followers of this particular market. The bears, and there are some, are driven to circulate unconvincing stories of a bull pool unloading.

It is like an echo of the distant past to find that the official liquidator of the London & Globe Finance Corporation (which smashed up in December, 1900), is bringing an action against a number of brokers, jobbers and merchants to recover \$5,000,000 damages. The respondents are members of the famous Lake View Syndicate, who are alleged to have brought about the London & Globe wreck by not keeping their agreement with Whitaker Wright to hold up the price of Lake Views. The London & Globe was so full of these shares that the tumble in value owing to the Lake View Syndicate selling brought about its collapse.

INSURANCE.

In future the Guardian Fire & Life Assurance Co., by reason of having enlarged its objects so as to cover accident and burglary business, is to shorten its title to the Guardian Assurance Company.

Another old friend under a new name is the Central Insurance Company. A meeting is to be held this week to increase its capital from \$1,500,000 to \$7,500,000. To do this 240,000 new shares of \$25 each are to be created, ranking equally with the present \$25 shares. \$15 of each of the existing and proposed shares is to be reserved capital, not being capable of being called up except in the event and for the purpose of the Company being wound up.

The Sun (Fire) Insurance Office is not 192 years old for nothing. The final dividend for last year makes a total per share of over \$2. Altogether \$510,000 is distributed in dividend and a slightly larger sum carried forward.

The striking feature of many insurance annual reports this year is the increased productiveness of the invested funds. We have all been busily engaged in mourning the decreasing percentage yield from big investments, that it causes one quite a little shock to see companies like the Standard Life, for example, increasing the yield from 3 19.20 per cent. to 4 1.20 per cent.

Now that we are right into June, insurances on the King's life are multiplying rapidly. All sorts of small term policies being taken out by people who are afraid of consequent loss, and who have only just learned that His Majesty's consent is not required any more than is a medical examination.

NEW YORK STOCK LETTER.

(Office of Cumming & Co., 20 Broad Street, New York City.)

New York, June 18, 1902.

Probably the most important event of the week has been the decision of Vice-Chancellor Emery, of the Court of Chancery, at Newark, New Jersey, in the matter of Miriam Berger, restraining the United States Steel Corporation from carrying out its plans to retire \$200,000,000 of its preferred capital stock and issue \$250,000,000 of bonds, and making the injunction permanent. The learned judge