transferred their attention to the Cotton market, where the fluctuations have been great enough to satisfy the most inveterate trader. Guesses, as to the size of the crop continue to be made, and almost each individual's figures vary materially from the estimates made by the so-called experts. The report issued by the Census Bureau shows that up to, and including December 12, 1903, there had been ginned 8,848,747 bales, against 9,311,835 bales ginned in the same time last year, or a decrease of 463,088 bales. After such a violent speculation, as this market has experienced, it is only natural that there should be a great reaction, but when it will come or how far it will go, no one can tell.

The Exchange Market has shown decided weakness, and the engagement of gold for shipment to this country has been some $2,300,000, for the week, and it is quite likely that this amount may be increased for Saturday's steamer. These imports of gold have been a very potent factor in keeping the loaning rates for money at the present level of 3 to 4 per cent., but it is also true that the return flow of currency from the interior points has reached a considerable volume to which must be added the large disbursements on account of interest and dividends due on the first of the month.

The general trade of the country continues good, and shows distinct indications of healthy expansion. Bradstreet's report of failures for 1903 shows that with the exception of 1899, the year 1903 shows the smallest number of failure casualties reported since 1877. Owing, however, to the number of financial institutions involved, the liabilities were larger by 45 per cent. than those of 1902.

The market has been unsettled all day, with a downward tendency, but the efforts of the bears do not appear to have caused very much liquidation; if this proves correct, the market should advance sharply when the shorts undertake to cover their contracts.

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LONDON LETTFR,

FINANCE.

Xmas. Eve, 24th Dec., 1903.

As I write, business in the City is at a stand till. The universal holiday feeling does not wholly account for this. Affairs in the Far East at the present moment, wear an extremely menacing aspect, and to quote a popular broker, "a man who buys Japanese bonds just now, snatch a five point profit, or he may have to face a twenty point loss." All markets, except one, share in the depression. The only place where optimism has ruled lately, and where dealings are being transacted is in the section devoted to Argentine railways. Pretty nearly all the news from the Plate River indicate the firm establishment of sound and widespread prosperity. Land has increased 60 per cent in value, immigration has swollen in volume, the corn and flax harvest are exceptionally good, and the wool yield extraordinary. Railway traffics go bounding up weekly. Altogether, the mass of British investors who are interested in Argentine enterprise are hugging themselves this Xmas, as they never had a chance to hug themselves before. As an example of the all round augmentation of the market value of the Argentine securities, which are held here, like the Ordinary (Common) stock of the Buenos Ayres and Pacific railroad. The present price is 112, against 58 a year ago.

All this forms a sad contrast with the state of the Transvaal. There, readers of THE CRONICLE will, no doubt, remember, boundless prosperity was to set in after the war and the floatation of the $150,000,000 development loan. People on the spot quite anticipated extreme good fortune. Goods were imported into our new colony right and left, immigration was encouraged to an extent, which, if it had been successful, must have had an adverse influence on the number of Britishers settling in Canada, costly schemes of land purchase were set going by the Government (with the result that Transvaal land companits sold hundreds of thousands of acres at five dollars an acre, which they had shortly before acquired for a dollar or under, railway construction was pushed on rapidly, and a tremendous irrigation scheme was instituted to make usable the vast arid tracks of the Transvaal.

The result is acute depression in the Colony and stagnation in the South African share market at home. Everyone connected with the control of the Rand mines declares that cheap Chinese minig labour is the only possible salvation, although on the other hand the inroad of cheap Indians into all branches of retail trading in Natal first, and now in the Transvaal, is declared to be a great evil. The Transvaal Legislative Council will be in session at the time these lines appear in THE CHRONICLE, and will probably have passed the ordinance necessary for encouraging the importation of "indentured Chinese coolies."

Right in the forefront of the political question in which the "City" is deeply concerned, still stands Fiscal Reform. All the financial press are committed up to the neck to the propagation of Mr. Chamberlain's ideas and financial interests loom largely upon the investigation commission, which the ex-colonial secretary has been the means of calling into existence. The three most recent bye-elections for the Imperial Parliament have been victories for Protectionist candidates, although the pluralities have been heavily reduced. It grows clearer and clearer that 1904 will witness one of the hottest and most bitter political campaigns ever known in the United Kingdom, and the stock and share markets will suffer in consequence.

INSURANCE.

Thanks to the ability and industry of Messrs. Frederick Schooling and E. A. Rusher, actuary and assistant actuary, respectively, of the great Prudential, and with the willing supply of all necessary information by the War Office, the mortality experience of the British forces during the Anglo-Boer war, which lasted from October 11, 1899, to May 31, 1902, has been ascertained and tabulated with a degree of scientific accuracy never known, in connection with any previous campaign.

Some of the conclusions are in accordance with very reasonable assumptions before hand. The mortality in battle of officers was greater, proportionately, than that of the rank and file, whilst on the other hand deaths from disease were proportionately greater amongst the private soldiers. Over the whole period of the war the mortality amongst officers was at the annual rate of 53 per thousand, when that of the men was 34 per thousand. The last figure may not seem very much greater than the annual civil mortality in English factory towns. It should be remembered, however, that civil mortality induces the demise of old men and young babies and women, whilst the mortality of war is in what are reckoned the best lives and ages.

From the figures arrived at by the present investigation, it is clear that the loss to life offices on assured lives during the war was not more than half covered by even the enhanced premiums covered, so that the rest of the money was practically a gift from the shareholders of the life assurance companies to the next of kin of dead warriors.

The extra premiums charged were usually 5¼ per cent. of the policy amount for the first year of hostilities, and 2 1-10 per cent. each year afterwards. The increases