

The intrinsic value, the productive capacity of the industrial works in Canada are reported by excellent judges to be in better condition to-day than ever before, as old machinery and other equipments and plant have been replaced by more modern requirements. While all this improvement has been and is still going on; while railway earnings are steadily increasing; while trade is advancing in volume and the output of goods is taxing mills and factories to their limit of capacity; while orders are so accumulating as to ensure another year of prosperity; while funds are accumulating beyond record; it does seem irrational to be sacrificing the stocks representing the capital of our industries, for no other reason than alarm over the outcome of some enterprises in the United States which were well known to be over-capitalized from the first. It is well for the healthy, for those whose constitution is found to be careful, but for such persons, so blessed, to work themselves into a scare because some others at a distance have been prostrated by their own folly is deplorable weakness. The leading stocks dealt in on the Montreal Stock Exchange are sound investments, and, sooner or later, their market price will advance to such a figure as will yield the moderate average of good securities. The amount they can now be bought to yield is quite sufficient to indicate in what direction prices will go when the flurry passes away.

#### AMERICAN UNDERWRITING SYNDICATES AND THE STOCK MARKET.

The Manual of Statistics for October just to hand takes the same view of the stock market as we expressed last week, viz., that, "in the shrinkage of values that has been going on for some time intrinsic values have been lost sight of." The over-lending to American syndicates and over-extension of some large American interests is regarded as mainly responsible for the breaks in the market, the irregularity in quotations and the anomalies seen in the relative position as to price which at present is occupied by so many different bonds or stocks. In regard to the syndicate movement it is regarded as highly probable that for some time at least there will not be any more of the underwriting and other syndicates such as those which have played such an important part in nearly all large financial and corporation movements during the past half dozen years. The "Manual" says: "Not only have some of the recent combinations proved practical failures in a stock market sense, but throughout the United States industrial field the spectacle is presented of the houses of large means, and the individual capitalists who have stood behind such combinations, been forced to carry masses of stocks and bonds which, a few years ago would have been disposed of with such readiness that the operations would have required only a tithe of the actual capital which

has lately had to be furnished in many instances at enormous sacrifices." There is only too much truth in this. But, for the stocks of sound, thriving enterprises, which are not over-capitalized, such as those chiefly dealt in on the Montreal Stock Exchange, to be put on the same toboggan slide as the inflated American companies above referred to is most unreasonable. Intrinsic values, as the regulator of prices, operate less certainly and less promptly than supply and demand, but in the long run the intrinsic value of every security will be the controlling factor in fixing its price. Strong financial currents set in motion by temporary causes, and storms blown up by distrust will disturb surface levels while they remain in force, but, beneath these indications of unrest there remains the solid, immoveable intrinsic value which is the true level of all securities, which is certain, sooner or later, to be their market price.

#### BANQUET OF THE TORONTO INSURANCE INSTITUTE.

The Banquet in the King Edward Hotel, Toronto, inaugurated the fifth session of the Insurance Institute of Toronto, and marked a new era in its history. The Institute has always been ambitious, and since its inception has moved steadily forward. Heretofore the Institute has been in affiliation with the Federation of Insurance Institutes of Great Britain, and its younger members have been encouraged to write on the examinations of that body. It has been felt for some time, however, that excellent though the papers were, they were not in many respects suited to the requirements of this continent. The Toronto Insurance Institute, therefore, after careful consideration, decided on a syllabus for both life and fire members, involving in each case a three years' course. It is not the intention to train actuaries, but to develop all-round insurance men, it being recognized that the future will demand a better equipped body of men than the past or the present. The announcement made by the vice-president, Mr. F. Sanderson, that in future the Insurance Institute of Toronto would be an examining body, granting certificates to those who were successful, was received with enthusiasm by the members.

The Banquet in every respect was a great success, a pleasant incident being the reading of the telegram from Mr. E. P. Heaton, president of the Montreal Institute, conveying the fraternal greetings and good wishes of his society.

The speakers included, besides officers of the Institute, Hon. G. W. Ross, Mr. Justice Britton, and Mr. John F. Ellis, president of the Board of Trade.

The toast list included "The Institute" proposed by the President, Mr. P. H. Sims, the response being by the vice-president, Mr. Frank Sanderson, who outlined the growth and progress of the Institute,