

of Life Underwriters has been in convention at Louisville, while the American Life Convention, composed of the smaller Western and Southern companies, is assembled at Cincinnati.

A matter on which considerable discussion was expected at the Louisville gathering relates to the future conduct of the "Life Association News." Several associations, with Chicago among them, have protested against the further continuance of the publication, and the Iowa association resigned from membership partly for that reason and also as a protestation against alleged over-domination by the executive committee. It is hoped that a satisfactory compromise is being reached.

## Our London Letter.

### IRREGULAR MARKETS OF LATE.

**Effects of Political Outlook Felt—Consols down Around 83—Activity in Rubber Shares—New Autumn Securities—Controversy re Mexicans—Insurance Signs of the Times—Special Correspondence of THE CHRONICLE for Week Ending September 25.**

This has been an irregular week in the London markets. Poor old Consols have been down again to 83—on a three per cent. basis—but on the other hand there has been some activity in coppers, more in rubber shares, in consequence of the raw material having reached record prices at last Tuesday's sales, and a little stir in the South African market after a long period of somnolence. Brokers whose invincible faith in "a good time coming" is proof against every assault still remain hopeful that the autumn will be an active one, though the increasing sound and fury of the political struggle would seem to make the outlook for this less promising than it was. It is clear from the chilly and unrhethorical language used by Mr. Asquith at Birmingham that, in the event of the Lords laying their hands on the Budget, we shall be precipitated into a political struggle of the gravest character. Even should the Lords pass the Budget as it leaves the Commons, a General Election seems by no means a matter of improbability, although it would appear more likely to occur in the early New Year than in the autumn. But he would be a very rash man who dogmatised at the present time on the political developments of the immediate future.

### Consols, Concessions and the Money Market.

The weakness of Consols has been accentuated at this time of tension by the decision of the Chancellor of the Exchequer to benefit the owners of agricultural land at the expense of the old Sinking Fund, from which a half million is to be diverted in order to finance one of Mr. Lloyd-George's concessions. To the city, utterly opposed as it is to the chancellor and all his works, this method of financing a concession seems worse than no concession at all. On top of this has come the gossip about dearer money, stimulated by the recent rise in the German Bank rate to 4 per cent. Owing to the failure of the Stock Exchange indicators on Thursday morning there was one terrible moment when the House

was led to believe that a change in the bank rate had actually been made that day. Fortunately, this proved a false alarm, but the rise in rates to 1 13-16 for three months' bills—although this temporarily eased off—was a reminder that the period of ultra cheap money which we have enjoyed since April has come to an end. How far it will be necessary to raise the rate during the coming winter, after a 3 per cent rate has been made effective, would appear to depend primarily on the demands for gold from abroad, particularly from Russia, where a good deal of the metal is still being absorbed, Egypt, South America and the United States, and secondly, on the progress made by the revival in our own trade. On this latter, it may be added, many people rest hopes of a turn in the present ebbing tide of values among British securities.

### New Autumn Issues.

The appearance of a million issue of 5 p.c. debentures at 108 by an Argentine railway may be taken as an implication that the autumn season of foreign borrowings in London has begun. In this direction there is every appearance of much activity during the coming months, though the negotiations regarding many of the issues are still in the preliminary stages. It is known, however, that several Russian issues will shortly be made in London and others on the Continent, economic development of the Muscovy Empire having apparently now been actively taken in hand. Several Brazilian cities are also on the look-out for funds in London; a new Egyptian mortgage company is to be floated shortly, and it is reported also that several United States railroads will be borrowing here in the near future. Altogether it looks as if the investor who wants 4½ to 5 per cent. for his money will be well catered for this autumn. The new supply of stocks of this description will be welcome. The market has been cleared pretty well of floating stock; prices have been raised all round and we hear complaints now that there is not a real bargain to be had in the foreign section, which possibly accounts for the "introduction" to London of an 8 per cent. City of Lima bond—something of a curiosity with us and not a very tempting one. Apparently, however, it has been freely purchased; the yield being 7¾ per cent.—with a government guarantee thrown in.

### Mexican Light and Power Incident.

The charges against the Mexican Light & Power Company formulated in The Economist recently by an individual signing himself "Mexican Engineer" have been very effectively disposed of by a cable from the Mexican government, which *inter alia* states that "The Necaxa dam was not permanently nor substantially damaged by the accident of May last and that the loss caused amounts approximately to £50,000." It is to be hoped that this unfortunate incident, which has led to the making of reckless charges and wild assertions in various quarters, may now be considered closed. As a result of the Mexican Government's cable, Mexican Light & Power common yesterday moved up three points, and the preference and gold bonds one point, whole Mexico Trams bonds and stock were also up a point.