

## Our London Letter.

### PLETHORA OF DAY-TO-DAY MONEY.

**Stock Market Dull—Bettered Prospects for London's Tubes—Planning for the City's Freight Traffic—Canadian Matters—Insurance Items—Special Correspondence of THE CHRONICLE.**

The issue of another three millions Treasury bills together with expectations of a continued continental demand for the bar gold arriving from the Cape and, in the near future heavy exportations of sovereigns to Egypt, have enabled bill brokers this week to raise discount rates. The improvement is chiefly noticeable in bills of long currency. For short period loans there is a plethora of money available, day-to-day money being as low as one-half to three quarters per cent. while for three months' bills the brokers' rate is about 1 7-16 per cent. Bills, however, are scarce.

### Dullness on the Stock Exchange.

The Stock Exchange has had a very dull week of it. Many members are away on holiday and the liveliest section is the Yankee market. In Kaffirs nothing is doing, although their "stable companions," west African mines have absorbed a modest share of attention upon the announcement that Sir Julius Wernter and other Rand magnates are interesting themselves in the mineral development of the west coast. British railways have been inclined to pick up on the improved dividends and the settlement of the coal trouble, but would have done better if the "House" had not been closed for three days after the announcement of the Board of Trade's successful intervention in the labour dispute. Some of the knowing ones among the professional speculative fraternity have their eye upon Egyptian shares, the last day or two having witnessed quite a brisk demand. Current reports are that affairs in the land of the Pharaohs have quite recovered from the crisis induced by the wild speculation of a year or two ago and that this year's cotton crop will be an exceptionally good one. The Spanish troubles have, of course, had a depressing influence upon Spanish Fours, but no one takes much interest in these nowadays. In years gone by they were a favourite gamble, but the speculative stream has since found fresh channels. The close of the week brings an improved tone in consols, and high class colonial securities, thanks to the persistence of cheap money.

### Tubes' Improved Prospects.

London's tubes, built by the United States financial group associated with the late Mr. Yerkes, appear to be steadily making their way out of the financial slough of despond in which they found themselves on their completion. The fact is they supply public requirements admirably; they are worked with both an enterprise and a common-sense that is frequently lacking in the case of larger British railway companies or groups and in Sir George Gibb, they have at their head probably the keenest British railway administration of our time—one who, fortunately for us, has not been above adopting American and Canadian transportation methods when he has seen them to be suitable for use here. The three "tubes" under

the control of the Underground Electric Railways of London last half-year conveyed over 48 million passengers, and in the case of each company there is an increase ranging from  $\frac{1}{4}$  to  $\frac{3}{4}$  p.c. in the dividend distributed. These dividends are, of course, very small, the maximum distribution being  $1\frac{1}{2}$  p.c. made up to 3 p.c. in the case of ordinary shareholders by the controlling company, but all the companies have plenty of scope for development of traffics, and the position generally is a distinctly improving one.

### Organizing London's Freight Traffic.

Apropos of London traffic organization there is a big unofficial scheme afloat for the establishment of a huge railway clearing house for goods in the metropolis. The need for such a centre has long been apparent. At present without any organization we are muddling along with no less than 14 goods stations within the metropolitan area, and as each works quite independently of the other, the resulting waste, to say nothing of the amount of street traffic of the slowest and most lumbering kind, can be imagined. The promoters of the present scheme propose to erect a building 1,000 feet long and 400 wide equipped with the latest electrical appliances at a cost of one million. It would accommodate 2,000 trucks and it is calculated would render unnecessary 75 p.c. of the railway vans which now throng London's streets. The value of the sites of the present goods stations in London can be guessed from the fact that the sites of three of them in the city were not long ago valued at £870,000 an acre. The new scheme, it appears, would enable our railways to make large economies, but whether they can be got to agree on the proposal is another matter altogether. One of them, at any rate, is showing its contempt for organization by proposing to spend a cool half million on a new goods station for itself. So we muddle along.

### Savings Bank's Large Figures.

A Parliamentary White Paper just issued gives some interesting details regarding the extent of the business transacted by the Post Office Savings Bank, which in recent discussions on the subject of gold reserves has been very much in the limelight. The amount received from depositors during the year 1908 was £44,770,800 or £624,600 less than the amount withdrawn. These figures, on the surface, do not appear to show very satisfactory progress in the matter of thrift, but before any generalizations regarding the habits of depositors can be arrived at, allowance must be made for the fact that the bank is not merely used by the "working classes," but largely also by the middle classes, the latter finding it a convenient receptacle for regular savings until a round sum has been reached, when the money is transferred elsewhere. The total due to depositors at the end of 1908 was £160,648,200. Against the liability stocks are held to the amount of 102 millions, bills and bonds of nearly 6 millions and annuities of 52 millions. The cash held is only £355,500, a small amount which appears infinitesimal when compared with the liabilities; and a slender basis, on which no ordinary bank could afford to work. The Savings Bank, by the way, holds over 60 millions of consols.