Affairs in London.

(Exclusive Correspondence of The Chronicle.)

Markets and the General Election—The "Run" on the Birkbeck Bank—Continued Rush of New Issues—A Possible Thread Fight—Improving Cement Position.

The stock markets opened quietly this morning, the members having had a night to sleep on the announcement that the Government will dissolve Parliament on the 28th November, and go to the country the first week in December. In financial circles, whilst it is strongly hoped that the Conservatives will be returned with a majority, it is not thought that any further harm can be done to market values by the return of the Liberal party than has already been done by the policy of the Chancellor of the Exchequer. New capital issues will, of course, be hung up, after the next week, until after Christmas.

The "Run" on the Birkbeck Bank.

The "run" on the Birkbeck Bank terminated on Monday, and before closing time some hundreds of depositors were engaged in rapidly paying in money. It appears that not only the Bank of England, but all the other joint stock banks in London had proffered assistance, because it was generally felt in banking circles that the failure of the Birkbeck Bank would be a tremendous blow to banking business generally, because the Birkbeck has always conducted a most conservative business, only loaning money at ordinary bank rates on thoroughly gilt-edged securities. It may be mentioned that the Bank has over 100,000 depositors, of whom only about 20,000 withdrew their deposits during the "run." The prestige of the Bank has considerably increased, since it is the banking institution which has successfully withstood two serious runs during the past five-and-twenty years.

Continued Rush of New Issues.

There has again been exceptional activity among the issuing houses, but some offers have met with a mixed reception. For example, an offer of £5,000,000 New Zealand bonds was a complete fiasco, the public only subscribing about 13 p.c., whereas $7,500,000 4 p.c. first mortgage gold bonds of the Kansas City Terminal Railway were subsribed several times over. The Lake Superior Iron & Chemical Company, which offered $3,000,000 six per cent. first mortgage gold bonds at par, made a mistake in not disclosing more information regarding its past history. When several of the banks and trust companies were made acquainted with the fact that it is a reconstruction of an amalgamation of a number of small companies they naturally drew their own conclusions from the fact that this information was not fully disclosed. Further issues are now being underwritten or arranged for flotation next week. They include the Anglo-Canadian Lands, Limited, which will make an issue of 250,480 £1 ordinary shares, secured upon 80,000 acres in the Beaver Lake country, Alberta. The Earl of Clanwilliam is the chairman. A second company is the International Granite Company, Limited, which will shortly issue 30,000 shares of £1 each. It is a Finnish Company owning quarries in South Finland. I shall not be surprised to see quite a number of new Finnish ventures as the Government of Finland is spending large sums in publicity work. A third company is the Anglo-Continental Supply Company, a Parisian concern, which is, strangely enough, coming to London for £830,000 of 8 per cent. preference shares. Two new Argentine Railway Companies are also in course of formation, one with a million capital.

Big Thread Fight Possible.

I am in a position to state that a big fight is possible in the thread manufacturing trade which is, at present, dominated, of course, by J. & P. Coats, Limited. There is a report in trade circles, and I believe it to be well-founded, that the Singer Company which is the pioneer of the sewing machine trade, as well as the manufacturers of a large output of thread for their machines, is about to make a fight against J. & P. Coats. The Singer Company has a large reserve fund, and its position as the greatest producer of sewing machines is one not to be despised in dealing with the question of the thread manufacturing trade, since it could bring persistent influence to bear upon the largest body of thread-users. Retaliation might lead to Coats' Sewing Machines, Limited. In any case, the fight will do no good to other undertakings such as the English Sewing Cotton Company.

Big Movement in Associated Cements

One of the features of the stock markets during the past week has been a considerable advance in the price of Associated Portland Cement shares It is difficult to trace the real causes which have led to the rise, but it is understood that the company has recently bought up several small producers which will enable it to raise the selling price of cement. Only the preference dividend was paid last year, but those closely connected with the company think it should be possible to pay a dividend on the ordinary of at least one per cent. which would require £19,250. Since J. P. Morgan's firm has acquired the controlling interest in the Atlas Portland Cement Company, the industry in the United States has been much improved, and the recent strengthening of the trade in Canada is also to the benefit of the company.

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From Western Fields.

The Progress of Prince Rupert and of the Grand Trunk Pacific—Mr. F. W. Thompson's Views of the West—Municipal Convention at St. Boniface—Calgary's Assessment.

That Prince Rupert is going ahead very rapidly and that its prospects are of the brightest is the gist of a statement made to THE CHRONICLE by Mr. T. Dufferin Pattullo, chairman of the City's Finance Committee. Mr. Pattullo thus describes the situation:—

"Prince Rupert is going ahead very rapidly. Dwellings to the value of $750,000 have been erected since the Townsite was put on the market a year ago last May.

"Permanent grading of the streets is under way