

Correspondence.

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LONDON LETTER.

FINANCIAL.

21st March, 1901.

Let the well-boomed "jungle" market and the optimistic Kaffir circus say what they like, there is no doubt that the Rhodesian mining group has made up its mind to get a public hearing. And, why not? In the first place, at least, the yield of gold in one month has climbed to over 12,000 ounces, and whilst this is only a widow's mite when compared with the Rand output in ante-bellum days, it is a record for Rhodesia and a series of advances in all the leading shares came along with the announcement.

Other bull factors include the discovery and increasing interest in the Wankil coalfield to the north of Bulawayo, the proving of the great auriferous value of the Ayrshire district of the country, the rapid construction of heavy and light railways, and the approach towards the sphere of practical politics of the harnessing of the great falls on the Zambesi—à la Niagara—for the purpose of supplying electric power to the country around. Against these are great and undeniable difficulties of the labor question. The Kaffir doesn't see why he should work whilst his multiplicity of wives wait upon his every need, and any proposed extension of the hut-tax brings a hornet's nest around the ears of the proponents. Just at present with only three of the Rand properties likely to be at work for some time to come, there is certainly none of the great competition from that source, and what black help there is offering goes to Rhodesia. But the war is nearly over and what then?

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I have been receiving a number of electric lighting company reports lately, and am thus enabled to give a general view of the progress of electric lighting as an investment in 1900, and as compared with 1899. Taking the nine leading companies, the net revenue for last year is \$1,710,000 against \$1,620,000 in the previous year. One company passes its dividend and two show a reduction; four remain at the same figure and two increase their distribution. Reckoning by lamps of eight candle power or their equivalent, the progress of the illuminant is marked. Against 2,170,000 lamps in 1899, there were 2,520,000 in 1900, and Emile Garcké ought to be very pleased with this development.

INSURANCE.

We are dwelling in an atmosphere of insurance company annual meetings at present, and a large amount of very excellent advice is given away. Lord Rothschild, at the Alliance meeting, said that it was difficult to explain the falling off in new life ordinary business last year. He was not at all sure that the reason assigned by the actuary (that there had been a big burst of business following upon Sir William Harcourt's Finance Act) was the only one. Perhaps, for the time being, people had found what they considered better channels of investment. In the fire department agricultural risks had boomed most largely.

At the Ocean Accident meeting the most interesting part of the chairman's speech was that in which he gave statistics of the company's experience of the Workmen's Compensation Act. The claims had steadily been growing in number, ever since the Act had been in force, and the average amount required to settle them had also grown from \$19 in the last half of 1898 to \$35 in the record half of

last year. This increase and development in the art of claim-making is not peculiar to England; Germany also shows it very conspicuously.

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The Railway Passengers' Assurance Company, an institution whose scope of work is only very feebly represented by its title, has a number of paradoxes with which to ornament its report. First of all, the war has done it a lot of good. Such of its insurers who were in the habit of fox hunting, cycling over here, etc., were away to the Cape, on service, and their new risks didn't count whilst the old ones were obviated. The weather has also been most kind to the company's treasury. The absence of frost has meant little skating and fewer immersions and broken legs, and the claims from snow accidents, of all sorts have been fewer.

STOCK EXCHANGE NOTES.

Wednesday p.m., April 3, 1901.

The buoyancy of Montreal Gas and Royal Electric made these stocks the feature of the trading, and the rest of the list seems to be taking a strong tone from these leaders. Montreal Street took a further upward spurt this week in continuance of the steady rise which has been going on in this stock for some time past. The strength of Twin City was maintained, and higher figures are predicted for this security. The company continues to have large weekly increases in earnings and have been making between 6 to 7 per cent. on its Common Stock, and an increase in the rate of dividend is being confidently looked for. The Steel stocks have made a good recovery from the reaction apparent during the early part of the week and closed strong. Dominion Cotton continues to be a very soft spot and invariably loses ground when a selling order comes on the market.

The stock of the Canadian General Electric Company was called for the first time to-day. The Company has an authorized capital of \$2,000,000, of which \$300,000 is Preferred, and \$1,700,000 Common, and \$1,200,000 of the latter stock is now issued. \$275,000 of the remaining \$500,000 Common will be issued to the Royal Electric Company in connection with the recent purchase of that company's manufacturing plant. The remaining \$225,000 Common remains at present unissued. The Company has a reserve fund of \$265,000, and \$71,038.91 at the credit of profit and loss. The addition to the reserve last year was \$125,000, and \$12,601.61 was added to profit and loss account. The company pays dividends of 10 per cent. on the Common, and 6 per cent. on the Preferred stocks.

The new United Steel stocks have been an exceedingly prominent feature in the week's trading in New York, and the transactions have been heavy; prices holding very strong. The whole market has been active and generally strong, though at times irregular. The recoveries from the declines have, however, been sharp, and the market in general was a good one.

The London market continues without any great activity, and the prices for Americans to-day showed