

A fool can, in an hour, destroy what it has taken a wise man years to create, and so at the present time there is at least one clique, if not more, who are striving by every means in their power, with falsehood as well as twisted truth, to smash things generally, that they may benefit by the distresses of others. We do not deny that this country has passed through a period of speculative debauch from which it will, undoubtedly take it a considerable time to recover; but we claim that with the magnificent showing which this country makes as to present crops, it can and will work out of the difficulties which now confronts it within a reasonable time and without trouble, provided it is not thrown into a panic by unscrupulous and designing persons. Bearing upon this point, the statement of the Department of Agriculture, at Washington, has a peculiar significance. It makes the estimated yield of corn 2,313,000,000 bushels; assuming that only fifty per cent. of this amount is marketed, and that the farmer only gets 25 cents per bushel (December corn is now 43 cents at Chicago), would give an increase of weight for this one product alone of \$289,125,000.

The actual amount of increased wealth, which will come to this country from this product, will, of course, depend upon how much of it is exported, and present indications are that a very considerable portion of it will be sent abroad. Wheat and cotton are now going forward freely, something like a million and a half bales of the new crop of cotton having already been shipped, which has created nearly \$100,000,000 of exchange, which is less than one-third of what the crop is expected to show. Naturally, in the face of such shipments the market for exchange has fallen sharply, and imports of gold are now in order, some \$3,000,000 having already been ordered. The Bank of England has been loath to part with any of its gold, and has already raised the rate on gold bars for shipment, but they should recollect that every advance in the price of the gold will make the cotton, which they must have, cost just so much more. It is fortunate that the demand for funds with which to move the Northwestern crops has been some three weeks late this year, as it has given the movement of cotton a chance to get under way and our bankers an opportunity of drawing funds from the other side before the shipments west were really required. Demands from Chicago are now becoming urgent for assistance in marketing these crops, whereas, three weeks ago, parties in that city claimed that not only would they not want to draw on this centre, but were offering to make loans here.

Among the arguments used to depress the Steel Stocks is the one that the falling off in the iron business and the consequent reduction of prices will seriously affect the corporation. If it is true, and we have reason to believe that it is, that wages have been considerably reduced, the lessening of the price of the finished product should be a very good thing, as it will enable us to again make a bid for the markets of the world, from which the high price of our commodities has, for some time, excluded our manufacturers from the records. So far it appears that the consumption of iron is very nearly equal to the amount of production at the present time, and, consequently, there are no large stocks of this staple.

This has been essentially a Pennsylvania day; the transactions having been on an enormous scale with lots of 3,000 and 4,000 shares of frequent occurrence. Naturally, the excitement in this stock has had a depressing influence upon the rest of the market, but with the exception of Copper, Reading and St. Paul, which are off about 1½ per cent., the rest of the market does not show any great decline but closes heavy.

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LONDON LETTER,

London, 29th Oct., 1903.

FINANCE.

Whilst we search round for hopeful factors in the immediate future for stocks and shares, I am afraid that the incidents, day by day, are very little more cheerful than they have been for a good long time past. The prices of many British railway stocks have, within the last ten days, touched record depths. The abnormal and atrocious weather we have had all through the year is having its ban effects on the traffics, and decreases of a heavy character are being regularly recorded by many leading roads.

Whilst Canadian Pacifics have lately set about rising again in sympathy with a rally in American Rails, Grand Trunks have fallen considerably under a heavy weight of liquidation, especially on the Stock Exchange at Glasgow and Liverpool. The first place especially is a very great centre for dealings in Grand Trunks, and what it does and says practically rules the market in these things over here.

A consoling point, however, in the stock market, is the persistent prosperity of some well-known industrial concerns. Take, for example, the Aerated Bread Company, which provides light refreshment cafés all over London, but more especially in the business centers. In attention to display and comfort, and variety in menus, newer and rival concerns have outdistanced the A. B. C., but whereas its dividend on the common shares was 30 per cent. in 1892, it has been 42½ per cent. for the past five years. Nor is this the only splash of opulence; every year a bonus goes with this dividend. Shareholders are allowed to take up, in a certain proportion to the holdings, new shares at par. As par is \$5 and the market price of the same shares round about \$50, this is a very good addition, and is equal to another ten, twenty, thirty, or sometimes forty per cent. dividend. The net profit for the year just concluded has been only \$380,000, which is certainly not bad in the way of retailing cups of tea and coffee, rolls and butter, and pieces of cake.

Another industrial, which has dealt with its shareholders kindly, is A. and F. Pears, Ltd., owner of the famous soap of that name. Every year, after paying 5 per cent. on the debentures and 6 per cent. on the preference shares, the ordinary get a regular 10 per cent. The net profits last year were close upon \$300,000. This company is not so progressive as the A. B. C., and has suffered in its business through allowing its advertising to fall off.

Finally, take two great hotels, both comparatively new, the Carlton and the Cecil. The first named has only been operating as a public company four years. In that time the net profits have risen from \$260,000 to \$315,000. Debentures received a regular 4 per cent., preference shares 5½ per cent., and the ordinary dividend has steadily climbed from 7 per cent. to 10 per cent. The profit per annum anticipated in the prospectus was \$200,000. The Cecil's net profits have risen from \$225,000 in 1900, to \$290,000, and would be still higher were it not for the enormous expenditure which has been incurred in connection with the completion of the Strand front. The ordinary shareholders have had to suffer from this, but theirs will be the greater reward from this year onward.

The city still waits upon the outcome of Mr. Chamberlain's fiscal agitation tour. The ex-Colonial minister travels through town after town, and finds something fresh to say upon the question of the hour in each place. A big body of public opinion now cordially endorse his views, and the "Daily Telegraph" has constituted itself his own particular mouth-piece. Many other "organs of public opinion" are, however, waiting to see which way the cat will jump before they offer an opinion. This is