CONDITIONS IN LONDON.

Conditions in London at the present time, though without the element of the theatrical which constantly pervades the atmosphere ot Wall Street, are sufficiently remarkable as to deserve close attention. As our well-informed London correspondent pointed out last week (p. 1177), the investment market in London is at the presenc time choked with rubber shares. That section of the middle class, our correspondent then said, which was generally to be found among those attracted by 4½ and 5 p.c. investment issues was especially caught by the glamour of the rubber "boom," and there is not the least doubt it committed itself to the payment of calls upon shares many months ahead. Moreover, holders of rubber shares are compelled to remain holders, because any attempt to sell shares other than the limited number in which there is an active market is met with the reply that there are no dealings. Consequently, holders are forced to apply any surplus income they may possess to paying off loans from their bankers, and the normal amount of money which comes into the investment market is not available.

It has to be borne in mind, also, that the rubber "boom" synchronised with a particularly active demand for capital owing to world-wide trade activity, so that the shortage was intensified; there was an abnormal demand and the supply was below normal. This fact sufficiently accounts for the non-success of several recent Canadian issues in London; showing, as THE CHRONICLE has previously maintained, that their non-success has been due to international and general monetary causes and not to any rise of feeling on the part of the British investor that he has enough Canadian bonds and stocks in his portfolio. The success of the recent City of Regina issue of £94,000 4½ p.c. stock at 101 p.c. maintains the contrary.

In the normal way, August is a slack month in London and the suggestion is being freely made that, so far as new issues are concerned, the slackness should be allowed to extend over a considerably longer period. Our correspondent suggests, possibly as a counsel of perfection, that finance houses and promoters should allow investors six months' rest, and the statement has been cabled here that a number of prominent firms closely connected in the customary way with Canadian flotations in London have actually made a mutual agreement not to float any more Canadian issues for six months. What appears the most probable line of action with regard to new issues in London generally is that the summer slackness in London will be prolonged through September, and that activity will be resumed in October. American railways are even now borrowing very heavily in London privately. But, in the opinion of competent observers, London will be unable to bear the creation of new securities at such a rapid pace as in the first six months of the current year (when new issues totalled £188,077,000) without considerable strain. Up to the present Canada and Newfoundland have raised by public issues in London and on the Continent this year, a total of £30,366,210. While it may happen that this total will not be added to *pro rata* for the remaining portion of the year, there is no reason to believe that there will be diminution in the stream of British capital now flowing to Canada by various channels. So far as conditions in the Dominion are concerned, at all events, there is every reason why it should continue, and that in increasing volume.

CANADA'S MINERAL PRODUCTION.

The mineral production of Canada in 1909 passed the $90,000,000 mark. Compared with the total value for 1908, which was $85,927,802, the production of 1909 shows an increase of a little over 5 per cent. The actual increase or betterment in the mining industry in 1909 was, however, somewhat greater than is indicated by this comparison. Owing to a slight change in the method of the compilation of statistics by the Dominion Department of Mines the values for 1909 are calculated at somewhat less than they would otherwise have been.

The figures of 1909, also, have not been swollen by high prices ruling for metals. On the contrary, the metals nearly all showed an increased output compared with 1908. The average prices, upon which their values are computed, remained fairly steady throughout the year, differing but slightly from the prices of 1908. Copper, nickel and silver were lower in price; lead, spelter, and tin were higher. The average prices of 1908, it will be remembered, showed a marked falling-off in comparison with the average prices of 1907, it being calculated at the time that taking copper, silver, lead and nickel alone, had the average prices for 1907 continued during 1908, these products would have been worth over $8,000,000 more to the producers than was actually the case. The fluctuation in the New York average monthly prices of metals is shown in the following table:—

AVERAGE MONTHLY PRICES OF METALS 1906-1909.

	1906. Cents.	1907. Cents.	1908. Cents.	1909. Cents.
Copper	19.278	20.004	13.208	12.982
Lead	5.675	5.325	4.200	4 273
Nickel	41.64	45.000	43.000	40.000
Silver	66.791	65.327	52.864	51.503
Spelter	6.198	5.962	4.720	5.503
Tin	39.819	38.166	29.465	29.725

So far as the non-metallics are concerned, the figures for 1909 are satisfactory, in spite of the fact that the coal production was seriously reduced by the labour troubles in Nova Scotia. There are, however, a larger number of products showing increases than decreases. Asbestos shipments were somewhat less and petroleum production shows a considerable falling-off. But in nearly all the other items there were important increases, particularly in corundum, gypsum, natural gas, salt, and in the structural materials.