

notwithstanding the reports of damage to the crops, bids fair to continue for a very considerable period yet. A few days ago reports were current of the drought in the Southwest, and now that this has been broken, we hear that almost the entire crops of the country are greatly damaged by water. In arriving at a just conclusion of this matter, it cannot be denied that the heavy rains during the past few days have, in some sections done considerable damage, on the other hand, they have been of great benefit in the section where it was dry, and it is more than likely that the gain will more than offset the loss, especially as a few days of hot sunshine will minimize the damage by water. It must also be borne in mind that the Chicago gambling ring are operating very heavily in grains just now, and it suits their purpose to make the damage appear as great as possible; we have little doubt but what the wind up for the season will show something over an average crop. It is estimated that the abolition of the various taxes, which went into effect on the first of the month, will make a difference of some \$75,000,000 during the year. The absorption by the Government of these taxes in the past has, at times, been a source of considerable pressure on the money market, and now that they are repealed and the influx of gold from the Klondike is coming in freely, the rates for money should be only nominal. Another very important feature of the monetary situation is the recent introduction and considerable absorption by many of our largest institutions of the British Consol certificates. So that with the fair prospect of average crops, an easy money market and the general prosperity of the country, it is not unreasonable to expect a very active, broad and rising market for securities, and just here we would offer a word of advice to intending purchasers—purchase only such securities as you are willing to take and hold as investments.

One of the sky rockets of the week has been Chicago and Eastern Illinois Selling at 130 in January, it yesterday touched 201, an advance of some 71 per cent. which seems to have been made largely on mystery. It is said that valuable rights will be given to stockholders, and it is hoped that this will prove to be true, for should it not, it is very difficult to see where purchasers at current figures will be able to dispose of their holdings should they wish to do so, especially as this stock has always had a very limited market.

Another of the sky rocket class has been Colorado Fuel and Iron, and the passing of the dividend has been a sore disappointment to a great many people, for it was generally considered and hoped when the payment of dividends was begun that they would be regularly maintained. There is little doubt but what when this stock sold around 110½ last April some, if not a good many of the insiders got out, and now around 90 might be willing to take back what they sold. It is the old story, but none the less discreditable to the manipulators, or hard to bear for those who are stuck, and is only another evidence that conservative people should leave such properties alone. Another class of stockholders who have had a disagreeable shock are the holders of Rutland Preferred, upon which the dividend has been reduced from 2 per cent. semi-annual to one per cent., and it is a grave question whether the Board of Directors is justified in paying anything at all. The developments regarding this property are quite likely to be of a very serious nature. Members of the Vanderbilt family and officials of the New York Central road have allowed the reports to go out, and so far as we can learn without contradiction, that the New York Central road have allowed the reports to go out, and so far, as we can learn without contradiction, that the New York Central would absorb this property, and on these reports the stock naturally advanced and now in the entanglements of this property these parties can not well escape their just responsibility. The adjournment of Congress is an event for which we are all devoutly thankful, and this alone should have a very decidedly beneficial influence upon the market.

NEW YORK INSURANCE LETTER.

New York, July 2, 1902.

As expected and predicted, the general advance in fire insurance rates, although it has not always been enforced, especially in the Western States, has aided in the promotion of a hoard of cheap wildcats and mutuals, which a number of large insurers, thinking they were unjustly treated by the regular companies, have welcomed with open arms. Some of them have already been cruelly torn and lacerated by the claws of these same wildcats, and more of these wounds will be seen in the fullness of time, when losses under their policies begin to develop. It is strange that men will examine with the utmost care their purchases in other lines, but will accept on somebody's say-so, fire insurance policies, which would be dear at a cent a pound.

It is well known that assessment life insurance in this state, and in this country has pretty well had its day, but the action, and recommendations of the insurance commissioner of New York, in his recent report on assessment insurance, indicate, with striking force, the temper and opinion which prevails with regard to this class of insurance. The New York commissioner recommends that the insurance law be so amended as to absolutely prevent the further organization or admission to this state of assessment life associations. The commissioner of one other state (Missouri), goes farther than this, and even recommends that such companies as are already in existence shall be debarred from doing business. These recommendations are probably unnecessary, for very few assessment associations, outside of the fraternal, still remain in existence, and lack of business would very soon deprive them of life without any action on the part of the law.

The decision on the part of the United States Steel Corporation, to carry its own insurance, will deprive the fire companies of some fine lines, on which agents were depending. We think that the Corporation has made a mistake in this decision, for while its fire losses, whatever they may be, can doubtless easily be borne, it would be much better to entrust this business to the companies, which are organized for that purpose. "Let the shoemaker stick to his last."

The fire insurance interests of this city and country are so closely knitted to those of Great Britain on account of the large number of English branches here, that all matters in the British Empire are of interest in the American Metropolis. The news of the King's illness, and of the enforced postponement of the coronation has been received here, and in America, generally, with overwhelming grief and regret. The sentiment of affection existing between the two countries has caused the sorrow and anxiety suffered on the other side to be fully shared by Americans, everywhere. It may be said that there is a universal willingness to join in the English anthem God save the King.

It is noted with interest that Mr. John A. Kelley, for a long time prominent in the United States branch of the Scottish Union and National Insurance Company, at Hartford, and recently the deputy United States manager, has resigned that position to become agent here for the Fire Association of Philadelphia. Mr. Kelley was well and favourably known in his official connection in Hartford, and was thought to be a fixture with the Scottish Union.

The Lafayette Fire Insurance Company has taken measures to reduce its capital stock from \$300,000 to \$200,000, in order to increase its surplus. This is noteworthy from the fact that it is only a short time ago, that the company, increased its capital from \$200,000 to \$300,000.

This is the time of year when those insurance men who can get away, either on regular vacations, or for business purposes, make pilgrimages to Europe. Among New Yorkers recently departing are manager DeLeon, of the Maryland