Our London Letter.

ANOTHER BANKING AMALGAMATION.

New Canadian Issues—Consols and their Trend—New International Shipping Federation—Tendency Towards Insurance Amalgamations—Special Correspondence of THE CHRONICLE, for Week Ending October 30, 1909.

We have happily been spared this week the shock of yet another rise in the bank rate, and Stock Exchange markets have managed to get through the settlement quite comfortably. The three failures which have taken place during the week are of no importance.

Truly the number of our country banks is growing smaller and beautifully less. The announcement of the disappearance of another appears this week. Parr's Bank is absorbing Stuckey's Banking Company, whose head office is at Taunton in Somerset, and which has 70 branches scattered all through the west country, a big Bristol business, and deposit and current accounts of just under seven millions. Also it has an important country note issue of which the authorized amount is £356,976 which will now disappear, and the Bank of England be automatically empowered to issue notes of a corresponding amount.

Parr's Bank, as a result of the amalgamation, will take seventh place for size among our great joint stock banks with current accounts and deposits of 37 millions. Its management has shown much interest in Canadian investment matters.

New Canadian Issues.

Two new Canadian issues are making their appearance. The underwriting has been arranged for £850,000 4 p.c. debentures of the Canadian Northern Railway, of which the price of issue is about 93 per cent. One other issue is of 3 million dollars 7 p.c. preference stock at about 95 p.c. of the new Car and Foundry concern recently formed in Canada for merging the businesses of three railway car building companies. (C. N. R. issue is since reported by cable as favourably received—Editor.)

All About Consols.

Some interesting remarks accompany the table of Stock Exchange values issued by the "Bankers' Magazine" for November. The magazine's list of 387 representative securities shows a total shrinkage in value during the month of 27 millions or ¾ per cent.; and it would really be difficult, says the magazine, to determine how much of the pronounced fall in British funds and high class securities generally has been due to dearer money and how much to political influences. The sensitiveness of consols to monetary influences under ordinary circumstances is, of course, a truism, but, says the Magazine, the present circumstances are not altogether ordinary, for Consols are no longer carried on borrowed money, and are no longer held as floating collateral to anything like the extent of a few years ago. Recent monthly settlements having shown the account for the rise to be absolutely insignificant, it is difficult, continues the Magazine, to escape from the conclusion that there has been a certain amount of selling of "real" stock during the month. The Magazine does not go into the realm of politico-economic controversy by advancing any theory as to the cause of this "real" selling of Consols. If the selling has actually taken place it is easily to be accounted for—and by causes outside current politics.

Shipowners on the Defensive.

The new International Shipping Federation, which has been in process of formation for some time, has now been definitely arranged. It is an extension of the British Shipping Federation, which is the parent of many similar organizations in European countries. The object of this confederation of federations, it should be understood, is only to arrange for the provision and protection of ship labour. It has nothing to do with conferences, rings or freight rates, but is merely concerned to provide labour for those owners belonging to it whose operations are interfered with by labour disputes. It is, in short, an anti-strike organization, a practical means of combating strikes of national and international proportions of which we hear a good deal in these days. The British Shipping Federation has done a good deal of distinctly useful work for ship-owners in the past, and this further organization has, no doubt, a useful field of operation before it in the protection of shipping and its closely allied industries from the idiosyncrasies of labour agitation. The new International Federation represents at present sixteen million tons of shipping, a total that will be considerably increased, when on the completion of certain formalities, the French and Norwegian federations join.

Aristocratic Insurance.

New insurance ventures come thick and fast. Even before the United Irish office, to which I referred last week, we are to have the prospectus of another venture with the comprehensive title of the Omnium Insurance Corporation. With a capital of a million of which half is to be shortly open to subscription in £1 shares (10s. paid) the new company will live up to its title by transacting non-tariff business of every description from life and fire downwards. It is being floated under influential auspices, and the directorate is an interesting one. The Earl of Chichester is chairman and other members of the board will include a member of the great firm of J. & P. Coats, the sewing cotton spinners of Paisley, Sir George Elliot Armstrong, at one time editor of The Globe, a distinguished high-and-dry Tory evening journal, and Prince Francis of Teck. The last named, as your readers may remember, is already known in our insurance world as a director of the Fine Art and General Insurance, a company doing a high-class business chiefly in risks of pictures and art valuables. He is also a director of the interesting Anglo-Persian Oil Company, with which Lord Strathcona is also associated as chairman. The Omnium Corporation has, it is stated, already made arrangements which are expected to ensure an immediate premium income of at least £100,000 a year.

While the insurance field is thus being invaded by newcomers the tendency to amalgamation among old-established companies is noticeable.

METRO.

London, 30th October, 1909.