

Correspondence.

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LONDON LETTER:

FINANCE.

21st June, 1900.

What stirring times we are having to be sure? And yet nothing seems to induce the London Stock markets to throw off their lethargy for anything like a decent interval. Were it not for the intervention of such things as Pretoria Day or the Royal Ascot Hunt Cup Day, one trembles to think of what would be the fate of the lonely and dissatisfied brokers and dealers.

From gilt-edged securities right down to the highly speculative fledglings of the mining and industrial markets, there is scarcely any business doing except by the most spasmodic fits and starts. First one and then the other dominating factor overawes the timid public, and the public will not come on the market. Just now we have the Chinese crisis in its full bloom, and nothing that comes from Peking or Shanghai is calculated to inspire confidence.

We thought last week that the West Australian department down Throgmorton street was going to indulge in activity by way of slapping her sister market in the face, but we have been disappointed. Death-like dullness rules there as well, and "Kangaroos" are as listless as "Kaffirs." There are special influences at work in the Westralian section. Marvelously quick changes in managerial appointments have followed recently upon most unpleasant exposures, and there is renewed doubt as to whether, after all, the prevalent sulphide ores of Kalgurli and the other districts can be profitably treated.

When one considers for a moment the really dirty tricks which have been played in connection with "Westralians," can there be any genuine amazement at the bad repute of these securities? Gangs of men who stick at nothing in their desire to get rich suddenly practice the systematic corruption of West Australian mining managers and other responsible officials. Their object is to secure "early and private information" of the output, etc., for market operations, generally "bear" ones, and in the case of the Associated Mine, one of the most recent scandals, one such party of sharks were actually three weeks ahead of the Board of Directors in valuable information.

But unless I want to make this letter all "markets," I must change the subject.

Most fortuitously, as it happened, the Bank of England reduced its official rate of discount to 3 p. c. just at the same time as the London County Council issued its \$25,000,000 3 p. c. loan under the new "fixed price" system. The price of issue was 97 1/2 p. c., and, as the loan was subscribed more than five times over, we learn both that the money market is even better supplied with funds than was anticipated, and that the L. C. C. financiers recently fixed their price of issue a little lower than they need have done,

Disappointment is felt across here at the scanty nature of the results of the International Stock and Share Congress, which has just concluded its sittings at Paris. The agenda was good, but the only important topic debated at any length was the question of asking each country to initiate legislation for the purpose of thoroughly knocking on the head the requisition of stolen bonds.

It is an open secret that for a considerable time now there have been many British Columbian mines waiting for a favorable moment to launch themselves upon the investing public. Now they look like coming out. The Le Roi No. 2, one of the Whitaker-Wright flotation, has been issued, and secured a fair success, being known in dealers' slang as "The Prince." The Emily Edith Mines, Ltd., has followed it and there are others announced.

Every one recognizes that we never get the full possible benefit for even the best drafted Act of Parliament, and hence the need for the new Companies' Bill, which it is regrettable to observe will probably be shelved for twelve months. The old Act is a drastic measure, but, as it is never administered up by its furthest boundaries, we want an Act that will be wider still.

Great was the enthusiasm of the Canadian matinee last Tuesday at "Old Drury." A dense house and a splendid stage produced a scene of wonderful enthusiasm, and souvenirs reached high prices.

INSURANCE.

Last Tuesday the shareholders in the Commercial Union Assurance Company, Limited, met together to further discuss the acquisition of the Palatine. A resolution, and a very necessary one, to extend the objects of the company in accordance with the provisions of the Companies' Memorandum of Association Act of 1890 was agreed to without any fuss. This important transfer is thus going on with a minimum of friction and delay.

Amongst the new insurance companies formed this year is the United Provident Assurance Company, Limited, and it has just made its first return. The only well-known figure about it is P. Lloyd-George, M.P., its solicitor. Its capital issue of \$500,000, in \$5 shares, does not seem to have gone off with astonishing success.

Only 46,582 shares have been allotted so far, and upon these calls equal to about \$1.80 per share have been made. Calls received total up to \$92,990, and unpaid calls reached the rather high figure of \$2,210. Few of the shares have been taken by the public, most of them going to directors or insiders. It is a North of England promotion.

Interesting information was elicited during the hearing of the case of an insurance broker in the Bankruptcy Court. A. C. Sprange was a member of Lloyds' from 1875 until this year, and for 22 years he had carried on business on his own account