

## Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

### NEW YORK STOCK LETTER.

New York, Oct. 21, 1903.

During the latter part of last week there was a decided change in sentiment, which manifested itself in a broader market until the news came from Baltimore of the suspension of two of the Trust Companies there. This naturally checked the good feeling which was growing, and caused a decline in the market, which, for a time, ran off sharply under the apprehension that there would be more failures in that city. Considering the character of this news, and the present condition of affairs, and the fact that had these suspensions come two months ago, they would undoubtedly have caused a panic, the action of the market is most gratifying and shows that the undertone and current is much stronger than has generally been supposed, and while no extended bull movement can be looked for, it is reasonable to believe that from this on, we shall have a good trading market which, with every upward movement, will go a little higher every time and show a gradually broadening tendency. One of the favourable signs of the times is the very decided improvement in the bond market which shows expansion almost every day. Of course, the first demand is for the high class expensive bonds, but as the movement grows stronger and confidence increases, other issues will be absorbed until the lower priced and not so well known bonds are reached. Among the latter are a considerable number, which, at present prices will return from 4 to 5½ per cent. with the prospect of a very material advance in price. That this is a genuine movement is evidenced by the fact that two syndicates which had large blocks of bonds, have recently been able to dispose of their holdings satisfactorily, and to close the syndicate account at a profit.

Of course, from time to time, and in various quarters it is more than likely that we shall hear of similar troubles to those in Baltimore, and each one will undoubtedly, to some extent, have an adverse effect upon the market, but this should, and will have a gradually decreasing influence.

Foreign sentiment has also changed with respect to this market, and we find the "Statist" saying: "The investor who has been holding back in consequence of uneasiness as to the state of the London and New York markets, will probably act wisely in delaying no longer to purchase. The only serious feature to cause hesitation is the position in the far East." This statement carries the more weight, because, until very recently, this journal has held to the opinion that the price of securities in this market was entirely too high.

Regarding the suspension of the Baltimore Trust Companies, it would appear from facts that have been developed, that one was entirely unnecessary, and but for the fright of some of the officials might have been avoided; a knowledge of this fact has been a patent factor in allaying the apprehensions which the suspension caused.

Great interest was shown last week in the subject of the dividend upon Amalgamated Copper. Some thought that it would be reduced, and some that it would be passed entirely. The meeting on the 16th compared for brevity with that of the United States Steel directors held in the previous week. At this meeting the regular dividend of ½ of 1 per cent. was declared. Under this influence the stock which sold down to 33¼ began to advance and sold at 39¼.

One of the reassuring events of the week has been the declaration of a 1½ per cent. dividend upon the Reading

Second Preferred Stock. From whatever motive the directors of this corporation acted in this matter, and there are several which might be imputed to them, the fact stands out that the company earned enough to pay it, and while it is not stated as to whether it is a semi-annual dividend or an annual, it is not likely that the directors would have declared it, unless they were pretty well satisfied that the Company would be able to continue dividend disbursements.

While upon the subject of dividends it may not be out of the way to again refer to the position of the Louisville & Nashville, which, while earning 10.35 per cent. is only paying 5 per cent. in dividends. It is not at all unreasonable to hope that with a continuance of such earnings, and the present outlook is that they will continue there should be an increase in the dividend rate of this corporation. Judging from the reports now coming in the Louisville is not the only road where a continuance of large earnings seems assured. Reports from various points, but especially from the west and southwest are that the roads are already taxed to their utmost capacity to handle the business now offering. The Southern Pacific alone is said to have some 40,000 cars of freight for Eastern points, which are waiting to be moved. This Company is said to have laid off a large number of men, and this, by very many is taken to mean that the extensive repairs and betterments, which, for a long time have caused such enormous expenditures upon this property, have been, if not wholly completed, largely so, and that the earnings will now be allowed to accumulate. If this is true the much-talked-of dividend upon this stock may materialize.

Announcement has just been made of the suspension of the Federal National Bank of Pittsburg. This is one of the newer banks which had bought up a considerable number of country banks. The effect upon the market of this announcement has been very slight, and it closes fairly active, but a little off from the best prices of the day on rumours of more trouble in Pittsburg.

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### TORONTO LETTER.

The Institute Banquet—An Ottawa Deputation—The Canadian Fire Underwriters' Association forgets and forgives—A House Famine—That Fire Boat—Old U. C. College Grounds.

DEAR EDITOR,—The Insurance Institute of Toronto gave a highly successful banquet in the King Edward Hotel, on the evening of the 16th inst. Enjoyable and interesting in every respect from beginning to end, the Executive and Entertainment Committees of the Institute are to be congratulated upon having achieved so marked a success. The excellent speeches, and amusement and refreshment features left nothing wanting in detail, so that the Annual Banquet of 1903 will be remembered as a notable one in Institute Annals.

The Ottawa people represented by an influential deputation have, I see, succeeded in getting upon the soft side of the Canadian Fire Underwriters' Association, and secured some amelioration of the surcharge recently placed upon the insuring community, because of the deficient fire appliances and of the still permitted existence of lumber yards within the city limits. I have no idea what arguments, or for that matter, what blandishments were brought to bear, to attain the desired relief. A little of both influences must have been exerted I fancy, and which meeting the well-known indulgent attitude of the Association where large interests are concerned, and which has been more than once exhibited in Ottawa insurance legislation, must have made easy the granting of more favour-