

Mr. Morgan favour?" It is safe to say that he will not favour any disposition of this property that would interfere with the present apparent harmony among the eastern trunk lines.

Chicago Great Western has been, for it, quite active, and there are rumours that there have been extensive purchases for foreign account. This property has grown to be a very valuable one, and more than one of the larger and North-western systems could use it to advantage. One of the peculiarities of this Company is that it has no bonded indebtedness. The indebtedness usually represented by bonds in this case being represented by different classes of shares.

Reading has suffered a decline during the week, but it looks as if there was good buying at the lower range of prices, especially as the forthcoming statement, which is usually issued about the last of the month, will reflect the large business now being done by this system, and will furnish a good basis for a sharp advance in the stock. In fact, all of the coal-carrying roads should and will share large increases in earnings.

Southern Pacific is also somewhat lower than it has been, but London has shown a disposition to take some of this stock, which disposition, if current reports are true, is quite likely to increase, on the ground that the betterments now under way will enable it to largely increase its earnings.

Reports for earnings of eighty railroads for December show an increase of \$9,352,637, or 9.86 per cent. over the large totals of the same month in the preceding year. This is due in part to the unprecedented prosperity enjoyed by the country's industries and also to the large crops harvested last season, as contrasted with the poor yield of 1901. It remains to be seen, however, how much of this increase can be saved for the net earnings.

After the opening this morning a drive was made at the market, which carried prices down from one-half to one and a half per cent., but good buying was apparent and the market closes with a good recovery from the lowest, and with a much better tone. We believe the market is a purchase on all declines.

LONDON LETTER.

FINANCE. London, Jan. 8, 1903.

Banking results for the half-year ending with December are being published right and left just now. In many quarters it was hoped that bank dividends for the half-year in question would be higher than for the corresponding period of 1901. The average value of monetary accommodation during the six months had been higher; but against this profitable feature there were so many others of adverse character that in the end every one will be pretty well pleased if the old rates of dividends are maintained—as at present they give every promise of being.

Roughly, it may be said that taking these dividends and the market prices of the various banking shares into account the investor gets a yield of from $4\frac{1}{2}$ to $4\frac{3}{4}$ per cent. For those, therefore, who do not fear the heavy uncalled liability British banking shares seem to be sufficiently attracting securities these difficult times.

So many people over here are interested in Consols, that the one question in these days of slump is, "will they rise?" This indication says that at no distant date such a rise is bound to set in. It is time that the rate of interest paid will be reduced from $2\frac{1}{2}$ to $2\frac{1}{4}$ per cent. in April, but this automatic rearrangement has long ago been discounted on the markets.

The great bull factor in the consideration of this Government security is, of course, the resumption of sinking fund payments towards the redemption of the debt. Unless the Chancellor of the Exchequer is very short-sighted, he

will also use the money saved by the reduction in interest to further swell the sinking fund.

Since Mr. A. S. Rowe, Secretary of the Great Fingall Company, disappeared suddenly a couple of weeks ago, after having misappropriated heavy cheques and forged numerous share certificates, the market has been hard at work guessing at the total loss through these criminal acts. Usually in these cases the loss becomes smaller as the actual facts prove superior to the fleeting rumour. In this case, however, it is not so, and slowly the measure of loss has risen to half a million dollars.

The controllers of the Great Fingall mine are Messrs. Bewick, Moreing & Co., in which firm the absconding Mr. Rowe was a partner. Mr. A. C. Moreing, another partner, startled the city yesterday morning by announcing that he was going to bear the whole loss occurred by these frauds. And what's more, he looks like being prepared to do it, although since his startling announcement the losses have proved to be very much larger than was at first anticipated.

The borrowing town corporations are at it again early in the New Year. Already Norwich is floating a big loss on the security of the local taxation.

INSURANCE.

A vessel insured with Lloyds here, the "Swaledale," looks like being a total loss off the East African coast. She is a \$170,000 risk, and, therefore, causes considerable anxiety.

The British Dominion Insurance Company which, not so very long ago used to have its being under a very much more cumbersome title, looks like taking a step now towards self-extinction. It has entered into an agreement with the Central Insurance Company, by which the whole of the British Dominion's direct home, fire, personal accident burglary and fidelity guarantee, is transferred to the Central.

Amongst the new general policies now being issued at Lloyd's is one against the contingency of appendicitis. The policyholder pays \$1.25 only as premium, and he is then insured up to \$1,000 against loss by an operation for appendicitis, or his next of kin are paid the same amount in the event of the death by this serious complaint of the insured.

Handsome, indeed, are to be the new premises in London of the Liverpool & London & Globe Insurance Company. They are being built now, and during their construction the Company is housed temporarily along with a big financial house in Cornhill, a street which looks like becoming as famous for its insurance offices as Lombard street is for its banks.

The damp, cold, foggy weather of the past week or so is upsetting a vast number of people, and already a heavy increase in mortality is being experienced. This is reflected very strongly in the claims which are pouring into the life offices. Such weather kills its tens of thousands.

PROVINCIAL RESTRICTION ON LOAN COMPANIES.

Editor CHRONICLE, Montreal,

DEAR SIR,—I notice in your issue of Janury 16 an editorial note on the first page entitled "Provincial Restriction on Loan Companies," and I looked all through your journal for the letter in which Mr. Thomas T. Langlois draws attention to the Loan Corporations Act, but could not find it. Perhaps Mr. Langlois will publish for public information the reasons given by the Ontario officials for not granting permission to transact business in