shows that East of the Mississippi, except in Ohio, recent weather conditions have been favourable.

The heavy pig iron buying during the past two weeks, and the developments in certain finished products, have caused a more hopeful feeling to prevail throughout the trade, which the coming season for building operations has done much to increase. Prices for wire and wire nails have been advanced. The Steel Corporation, on March 1, had four-fifths of its furnace capacity active, as against two-thirds on February 1, and rumours are current to-day, of further advances in prices in the iron market.

The indications are now that there will be no strike of the bituminous coal miners, but that they will accept the reduction of 5 per cent. in wages. Thus, another adverse factor to the market will be removed.

The second annual report issued by the United States Steel Corporation is a very interesting document, but the figures given are so huge, that it is difficult to comprehend them. Gross sales and earnings amounted to $536,-572,871.38, after providing for sinking funds, improvements, construction depreciation, interest and dividends, there was left a balance of $12,304,916, against $34,253,-656 the previous year. The Company paid out $120,763,896 in wages, to 167,709 employees. Its stockholders increased by 21,328 to 79,957, of which 42,720 are preferred and 37,237 ——During the week, the reports are that the better outlook in the iron and steel business will materially improve the position of this Company.

The statement is made that for the six months ending December 31, 1903, the Great Northern road earned within $1,200,000, of the entire amount of $8,673,000, required to pay the entire year's dividend of 7 per cent..

The market to-day, opened fairly strong and advanced form ¼ to ¾ per cent., and while prices are off a shade from the highest, the market has held well and its tone is greatly improved, and closes strong.

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LONDON LETTER.

London, 3rd March, 1904.

FINANCE.

Once the object of special and continuous attention on the part of the British investor, Home Railways have long since fallen upon evil days of poor dividends (and sometimes none at all), and depreciated market valuations. Recently, it is true there have been evidences of a desire to put the English railway house in order, and the results of the trading for the second half of 1903 were not wholly unsatisfactory. The fifteen leading companies paid an average dividend of 4 3-5 p. ct., which is ¼ p. ct. lower than the average dividend of the same companies for the corresponding period of 1902. At the same time, it was clear that long strides have been taken along the road leading to economy with efficiency, and it only wants the inevitable break with a conservative past to see the adoption of many methods for increasing revenue, fare reduction being one way.

The ever increasing number of foreign banks' acceptances, which appear on the London money market, is a matter of apprehension in many quarters. It is held that measures should be taken to check the encroachment on a branch of business hitherto confined to British firms and institutions, and constituting an important feature of our financial transactions. No one in the banking and discount market likes these acceptances, yet, nothing seems to be done to check their increase. In fact, the certain willingness with which they are taken by banks and discount houses encourages the business to their own detriment.

It is suggested that following upon a common understanding, bankers and others interested, should decline to take such bills from the discount market, either for discount purposes or as security against call money. In turn, the discount market would quickly decline to take these bills from its customers. A general agreement of this kind would prevent any offence being taken, and where bankers received them as direct remittances from customers they would be entitled to charge a higher rate of discount, as for "non-discountable" bills.

There are many great department stores in London, with huge turnovers and splendid profits. One of these which has steadily worked up from most humble beginnings twenty years or more ago, is "Harrod's." Just now it is issuing 80,000 new $5 shares, at the prosperous price of $17.50 each, a wonderful thing to do in these days of a stagnant money market and coy investors.

As a joint stock enterprise, this concern is only fourteen years old. In that time, the annual net profits have made the prodigious advance from $67,500 to $606,000. The total dividend paid during the fourteen years amount to 235 per cent. This is despite the provision that half the profits above 8 per cent. and after allowing 10 per cent. for reserve, go to the holders of founders' shares. The chairman of this great enterprise is sitting as a member of Mr. Chamberlain's tariff reform convention of business men.

A sort of panic seemed to seize holders here, of Grand Trunks, at the sight of the January statement, and prices took a very low level. Discovery of the very obvious reasons for decrease earnings came too late to prevent many holders selling at a serious loss. They have now acquired experience.

INSURANCE.

In the House of Commons this week, the Premier, Mr. Arthur Balfour, replying to Mr. C. McArthur, said, that he hoped the Marine Insurance Bill would be re-introduced at an early date. So does every one else. This much-needed measure has been hanging about for years.

Though the methods of some of our industrial life assurance companies do not always commend themselves to the sober and critical mind, it certainly goes without saying that the weekly instalment people know how to bring their companies up. The Pearl Life, for example, had, in 1897, a total income of $2,825,000; last year's total income was $6,420,000.

This company has a large ordinary branch now for small insurers of the lower middle class, so that it is evident that thrift is a virtue still widely practiced by the workers of the country. Each year, the liabilities of the Pearl are ascertained by Mr. R. M. Moore, the office's consulting actuary; the surplus at the end of last year being nearly 2½ million dollars.

Following the tendency towards simpler policies, the Central Insurance Company has issued a fire policy for mercantile and business premises, which is almost entirely free from the burdensome conditions, about which there has been so much trouble of late. The previous simplified fire contracts have only had reference to dwelling houses. The new Central policy also covers property purchased and held in course of transfer, without extra charge, for account of its ultimate owner.

While so many offices are keenly alive to the necessity for up-to-date methods in doing business, and do not disdain to strain every nerve, no matter in what section the business is being done, there are other concerns which are content to stagnate and die. Many such have disappeared from the active list in recent years, and many more are to go, unless they take warning in time. They are achingly in need of new prospectuses, reduced managerical expenditure, more publicity and advertisement, and more and better remunerated agents. It is either this or absorption by more businesslike concerns.