

THE STANDARD LIFE ASSURANCE CO.—Continued.

"Reference is made in the Report to the Accumulated Funds, which now amount to over \$55,095,000.00. The Proprietors may take it from me that the investment of this huge sum of money is a matter of anxious care to the Directors. The rate of interest upon our Funds, which a few years ago, owing to the state of the money market, had been below 4 per cent., is this year, I am glad to say, 4.17 per cent. There are indications, however, that money is cheapening, and, in the not distant future, we may have difficulty in obtaining such a favourable return upon our investments.

"I may emphasize the regret which is expressed in the Report, that during the year we have lost two of our colleagues on the Board. Mr. Hemery died in April last, and a few weeks ago Mr. Graham Murray had to retire, in accordance with precedent, upon his appointment to the office of Lord President of the Court of Session and Lord Justice-General for Scotland. It is a great satisfaction to the Board, however, to be able to state that Lord Dunedin retains his connection with the Company, having accepted office as Deputy-Governor.

"The Manager informs me that he has been greatly assisted in his duties by the loyal support which the Officials and Staff at Head Office and at the various Branches and Agencies have ungrudgingly afforded to him, and I think we may congratulate ourselves on having found a very capable successor to Mr. Spencer Thomson.

"Now I have only to add that we are approaching the end of the fifteenth Quinquennium. At 15th November next the usual investigation will be made, when the investments will be scrutinized in detail, and the liabilities of the Company under Assurance contracts will be ascertained by the Actuary. Business for the current year is coming in well, and I hope that my colleague, who will occupy this Chair next year, will be able to report a satisfactory result of the investigation."

The Chairman then concluded by moving the adoption of the Report, which was unanimously approved of.

EDINBURGH, 3 GEORGE STREET,
April, 1905.

QUERIES' COLUMN.

In order to furnish our readers with information we propose to devote this column to replies to correspondents. Letters should be addressed to "THE CHRONICLE, Enquiry Department, Montreal."

Answers will only be given to such communications as bear the writer's name, not for publication, but as evidence of good faith, and only to questions referring to matters of general interest in regard to which the Editor of Queries' Column will exercise his own discretion.

1446.—W. J. J., Montréal.—We do not consider there is any reason to advise the sale of standard dividend paying stocks at the present time, there is no fundamental reason for the weakness in stock prices and a higher level of values is quite possible within the next few months. It is impossible to estimate the immediate trend of prices.

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1447.—I. O. H., Simcoe.—Canadian Pacific paying 6% should be worth 150 and on a rising market will probably go over this figure. As an investment C.P.R. should rank high.

Correspondence.

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

LONDON LETTER.
FINANCE.

London, Eng., 11th May, 1905.

Markets have at last shown signs of turning round. Last Monday the depression touched about its worst point this year. The principal leading article in the "Times" that morning, struck an alarmist note over the French neutrality question, and all day long stocks were steadily shedding points and fractions. As a matter of fact, the article was the best thing which could have happened. Speaking semi-officially, it put the question of the neutrality of Indo-Chinese ports in a peaceful yet unavoidable way.

Although the "bears" made use of it to depress prices its effect was really to clear the air and make for an understanding between this country and its cross-channel neighbour. Only "Trunks" remain dull, and here, although good traffics were powerless to raise prices, a bad return easily brought about a decline to 20¼, four points lower than the recent best.

A rather startling decision has just been given by Mr. Justice Ridley, in a case where Canadian Pacifics were concerned. From a bucket-shop a man bought on "margin" or "cover," 122 Canadas. The cover deposited with the "outside broker" was one per cent. on the nominal value of the shares, and was therefore \$125. Of course, these firms never really transact the business, or do it through properly qualified brokers on the Stock Exchange. The client bought the shares cum-dividend on Feb. 15, and sold on March 2, ex-dividend. When he claimed the dividend, a matter of \$355, he was refused it by the "bucket-shop." These people have been upheld by Mr. Justice Ridley on the ground that the whole transaction was a gamble. As the active shares had never been bought, there was nothing upon which a dividend could have been paid. The usual rule is, of course, to pay dividends in such cases.

INSURANCE.

In what an extraordinary manner British life offices still quote differing amounts of premiums for practically identical offers of life assurance, is shown by any proper comparison.

Yet with it all, every office of any standing, gets all the life business it is fit for, and it yet remains to be seen whether the difference in policies has not really a great deal to do with the average class of life offered to the company. Certain, it is, that people here flock more and more to life assurance as a means of thrift. And also it is increasing clear that expert advice is wanted pretty badly in the ordering especially of big investments. Not a long while since, a stockbroker who had done well out of the rise in Yankees, took out a twenty-year \$100,000 endowment policy with a British office, which perpetually advertised the enormous bonuses declared upon selected recent claims. As a matter of fact these claims are generally on forty, fifty, and even sixty years' old policies. These were taken out on the company's firms, and are much above the bonuses now being paid.