$14,800,000, and the loan contraction was only $3,384,000—so the loss of surplus in this instance amounted to $9,226,000.

GOLD MOVEMENT.

It is generally supposed that the gold export movement is over for the time being. Grain bills, and finance bills drawn in anticipation of grain exports, have been coming forward rather freely of late. Holders have been anxious to profit by the high exchange rates; and this has served to put the quotations for sterling below the gold export points. Then it appears that the specie already shipped will suffice for Europe's present needs. If confidence in American securities is not restored, in the meantime it is to be expected that after the rush of grain and cotton exports is over a fresh demand for sterling will spring up as a result of continued sales of European holdings of American stocks and bonds. But if confidence revives, and Europe begins to buy back in a large way the securities recently sold to America, it would seem that international exchange would likely rule favorable to New York.

CLAFLIN FAILURE.

The financial interests in New York have been discussing last week's $34,000,000 Claflin failure—which is classed as the biggest mercantile failure on record in the United States. The downfall appears to have been precipitated by the activity of the parent firm in financing retail and wholesale subsidiaries scattered throughout the country. Also it is the case that the volume of trade of the parent concerns had fallen off with the trade depression.

OBITUARY.

MR. E. W. COX.

Edward William Cox, eldest son of the late Senator George A. Cox, died on Friday night, June 26th, at Folkestone, England, whither he had gone to recuperate after a serious operation. The event has created genuine sorrow, and will long be held in remembrance by those who are familiar with the history of the Canada Life, over which he presided. His brother, Mr. H. C. Cox, was with him at the end.

Mr. Cox was born at Peterboro 50 years ago, was educated at Toronto University, and became connected with the Canada Life 31 years ago. In 1899, when the Company's head offices were removed to Toronto, Mr. Cox became assistant general manager, and in February, 1902, he was advanced to the general managership, and finally became president shortly before his father's death. His life work had been in the service of the great company over which he presided. He was without a peer in the profession which he honored by his unsurpassed ability. He secured the respect, esteem and confidence of the leading men in the insurance world, and as a courteous and affable gentleman, the loyal affection of the large army of officials who served under him. His wonderfully keen perception and intuition enabled him to use sound judgment in the selection of agents and other officials. He had a keen analytical mind and was a conservative financier. In addition to being president of the Canada, life the late Mr. Cox, like his father, was connected with a large number of other financial institutions: President of the Imperial Guarantee and Accident Company, the Toronto Savings and Loan Company, the Provident Investment Company, a director of the Central Loan & Savings Company, the Dominion Securities Corporation, the National Trust Company, the Canadian General Electric Company, the British America Assurance Company, the Western Assurance Company, the Robert Simpson Co.and the Canada Cement Company. His untimely death is a sad blow to a host of friends.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY.

The annual report of this fine old Scottish Company, now in its 105th year, reveals an excellent position of financial strength combined with business enterprise. The Fire Department's report is of a particularly satisfactory character. Last year net premiums received amounted to $12,387,880, a gain of over $200,000 upon the premium income of 1912, which was $12,179,970. The loss experience is satisfactory in character, claims aggregating $6,762,995, a ratio to net premiums of 54.6%. As a result of the year's operations, there is carried forward a reserve for unexpired lists, being 40% of the premium income, of $4,955,150, while there is an additional conflagration reserve also of $7,750,000. Behind this the very large balance on profit and loss account of $6,998,810 which would of course be available in case of necessity to meet heavy losses, is carried forward, so that the total fire funds are $19,703,960, equal to 159% last year's premium income. This is an altogether admirable position.

In view of the fact that the North British has lately opened a life department in Canada, it is of interest to note that the Company transacts a substantial life business in other fields. Last year the net amount insured was $12,642,980, an increase of about $160,000 on the business of 1912. The income of the Life Branch from premiums and interest for the year amounted to $8,923,475. Claims with bonus additions absorbed $4,294,415. At the end of the year the life insurance funds amounted to over $70,000,000, an increase during 1913 of more than $2,000,000 having been made. The total assets of the Company now aggregate practically $125,000,000.

In the Canadian field the North British has carried on a fire business for many years, and is now under the management of Mr. Randall Davidson, an underwriter well known and highly popular throughout the Dominion. Last year the premium income in Canada of the North British fire department rose to $961,355, and net losses incurred were $569,357. The newly opened Canadian life department of the North British is under the management of Mr. H. N. Boyd, who has come to Canada with a fine life business record.