

circumstances which were anything but genial. The fact that prices remained firm in the main was due, no doubt, not only to there being little floating stock about, but to the favourable monetary outlook—though for a week or so money was very tight in Lombard Street, borrowers finding it necessary to call upon the Bank of England for assistance. But the rates of the discount brokers kept dropping from day to day, owing to the prospect of a good deal of gold coming to the Bank. It is now quite probable that a short time will again see our bank rate at 2 p.c. This consideration served to keep markets steady, pending the recent settlement of the Balkans crisis.

The announcement that, having received a number of guarantees and concessions from the promoters with regard to their future course of action in reference to fares and freight rates, the Government intend to support the bill promoted by the Great Central, Great Northern and Great Eastern Railways for their joint workings is certainly a decided bull point for home rails. Although no party pressure will be brought upon Ministerialists to vote for the measure its passage seems reasonably assured, in which event there can hardly fail to be an outbreak of interest in a section of the London markets, which, during recent years and not without reason has been much neglected.

Appreciation of Canadian Banks.

The monthly table of the comparative value of 387 representative securities published by the Bankers' Magazine is eloquent of the depressing conditions of a few weeks since. The decrease in value totals nearly 58 millions, the only exceptions to the general tale of a lowering of values being corporation stocks (British, colonial and foreign) insurance shares, electric lighting and power concerns and gas and water companies. The ease in money has particularly affected bank shares, the decline being most notable in the South African section, where the outlook from the bankers' standpoint is none too rosy. Apropos of bank shares, very appreciative articles on the position of the Canadian banks are now appearing in the English press. It is recognized that the recent period of relative rest has been accompanied by such a strengthening of resources, as will enable the banks to meet with ease increased demands upon them, caused by the advent of a new period of great commercial activity.

South American Power Companies.

Of the Latin-America power group, the Rio Company has principally been in the limelight since the Mexican Trams and Power concerns stepped off the stage at the end of their long controversy. The confidence felt in this company's future by many people here has been strengthened by the announcement of the absorption of the only remaining important independent tramway company operating in Rio, while the suggestion, said to come from your side, is made that the company will pay a dividend before the end of the year, and that it will be perhaps, as high as 6 p.c.

Rio Trams have been the subject of a spirited controversy this week between Mr. R. M. Horne-Payne, who is best known in London as chairman of the British Empire Trust Company, and a week-

ly journal, whose main grievance is apparently the form in which the accounts of the Canadian South American power companies are presented, although it has been lately spending a good deal of energy in the suggestion of other drawbacks to investment in those companies.

Mr. Horne-Payne emphatically repudiates any suggestion that the British Empire Trust is responsible for the speculation in the shares of the South American tramway companies. On the other hand he is able to point out that the Trust recommended the Rio Company's first mortgage bonds when they were at 72. Investors who then took the Trust's advice are not likely to have a grievance.

Increased Taxation on Bills of Exchange.

The city has been stirred this week by the suggestion, emanating from an apparently well-informed quarter that, Mr. Lloyd George intends to raise some of the funds of which he is so much in need by doubling the stamp duties on bills of exchange. A tax of this kind has the great merit in the eyes of the Chancellor of the Exchequer that it costs nothing to collect, but it goes without saying that proposals of this kind would not be allowed to pass into law without running the gauntlet of strenuous opposition from city interests. The present revenue from stamps is over £800,000 a year, but for several years past it has been a declining quantity, owing to the financial depression. A 100 per cent. increase in stamp duties would certainly be sufficiently onerous to make its presence felt unpleasantly, as in the case of a sixty day bill it would be equal to an increase of one-quarter per cent. interest per annum and in the case of a thirty day bill to an increase of one-half per cent. A suggestion of increased taxation on securities especially foreign government bonds has also been mooted, but does not appear to rest upon as sound a substratum of fact as the gossip regarding bills of exchange stamps.

There is a revival of the movement which has made its appearance on several occasions during recent years for the municipal enfranchisement of mercantile corporations and companies. Last year, Lord Avebury introduced a bill into the House of Lords on the subject which was thrown out by the Government, but the London County Council is now taking the matter in hand and will, it is hoped, shortly convene a conference to consider the subject in all its bearings. A return recently compiled shows that averaging the large towns throughout the country, one third of the municipal rates are paid by companies who have no vote. In the City of London the percentage is as high as 62½ per cent., while in Poplar, of unpleasant notoriety in connection with public affairs, returns show that out of a rateable value of £837,806, £364,398 is of persons who cannot raise a hand to stop the waste of rates paid—compulsorily—by them.

Stopping Speculative Insurance.

Important announcements regarding forthcoming insurance legislation have been made this week by the Attorney General. It appears that the whole subject of insurable interest is now under the consideration of the Board of Trade. Recent cases in the Courts brought by policy-holders against insurance companies of little repute for a return of